Health and Sport Committee Pre-Budget 2019 – 20 Scrutiny

Edinburgh Integration Joint Board

1. Budget Setting Timeframes

What is the process for agreeing the budget?
The process entails engagement of both City of Edinburgh Council (CEC) and NHS Lothian (NHSL) and the Chief Officer and Chief Finance Officer lead this on behalf of the Edinburgh Integration Joint Board (EIJB).

Relationships between the EIJB, on the one hand, and CEC and NHSL on the other, are positive which in turn facilitates discussions as the financial plans for Council and NHSL develop. The EIJB is fully engaged and there is transparency in relation to the challenges and pressures.

What are the timescales for agreeing the 2018-19 budget?
A five-year outline financial plan was presented to the EIJB in December 2017. Updates on the 18/19 plan were provided to the EIJB in January, February, and March 2018. Issues relating to the setting of the NHSL budget have impacted our ability to recommend accepting the current situation and positive discussions continue – specifically in relation to supporting the recently agreed EIJB plans to address demand and capacity issues.

What are the challenges in agreeing the budget? (for example, the Committee has previously heard about challenges resulting from different NHS and local authority budget setting cycles)
Different NHS and Local Authority budget setting cycles do pose an issue but this is not insurmountable.

The key challenge in agreeing budgets is the prevailing financial environment facing the public sector and the consequent requirement for a high level of savings in services which face significant growth in demographic-led demand.

The continuing approach of one-year budget settlements from the Scottish Government makes planning for more than one-year problematic.

2. Set Aside Budgets

To what extent are set aside budgets operating as intended?
In common with other IJBs, the EIJB have recently assessed themselves against the six steps outlined in the statutory guidance. Whilst good progress has been made the joint assessment of NHSL and the four IJBs it works with is that they are assessed as amber with plans to move towards green for all six indicators.

In each of the three years IJBs have been in operation there has been agreed set aside budgets with actual costs against this being reported monthly. NHSL is now working with the four IJBs to further develop this model and move towards one which compares “fair” share of budgets with actual resources consumed.

As described below there are some good examples of the EIJB shifting the balance of care by ensuring acute and community services are planned together. This is particularly so in mental health and learning disabilities.
Is the set aside budget seen to be under the control of the IA?

The levers to provide control of the set-aside do exist, and data is provided. The EIJB has, however, been absolutely focussed on the issues with delayed discharges and assessment in the community, and so the broader elements of the set-aside have been secondary in its considerations. The strategic planning approach now being taken by the EIJB flags that this area is one that we will move into in late 2018-19 and 2019-20. There have been some exceptions to this, particularly with regard to acute mental health and learning disabilities.

Has the set aside budget changed since the IA was established?

As above, the set aside budget has been recalculated each year based on an agreed financial model.

How is management of the set aside budget supporting any shift in the balance of care?

The strategic approach adopted by EIJB since September 2017 sees the organisation look at the detailed implementation plans it needs to have in place for its five key areas;

- Older People
- Mental Health
- Physical Disability
- Learning Disability
- Primary Care

EIJB sees each of these as the key planks on which the shift in the balance of care it wishes to see are built. The planning approach will see Strategic Commissioning Plans outlining how EIJB wishes its financial resources to change in profile and distribution over the next 3-5 years, and these plans will be presented to the IJB by December 2018. This will be linked intimately to the management of set-aside budgets and will bring implementation detail to the broad aspiration and vision of the EIJB.

How has your IA been able to achieve any shift in the balance of care?

Whilst we have areas of significant challenge there has been real progress delivered.

We achieved several positive moves from institutionalised acute hospital care to the community across several services. Specifically:

- For mental health, EIJB and NHSL have collaborated on the opening of the new Royal Edinburgh Hospital (REH) phase 1, which has seen resources moved into community placements with a reduction in the number of acute beds provided, and a new more intensive model of care in those beds. This also sees the commissioning of nearly 40 new community placements for people who would otherwise have remained in the institutional setting at a higher cost and without restoring independence and homely settings for people.

- For people with significant learning disabilities, the Partnership have collaborated on the closure of the Murraypark Unit on the Corstorphine Hospital site. This has seen 14 “inpatient” beds re-provisioned in 3 community settings with a much more community-focussed approach than the previous high quality but institutional approaches.

- This work continues with the development of plans for REH phase 2, which will see people brought back from placements out of area and into a redeveloped REH phase 2, with new services for women with complex needs, and for long-stay rehabilitation, while also commissioning new community placement.

The EIJB has already invested £4.5m of additional resource in particular priorities in tackling challenges around assessments and delayed discharges. Since September this investment has seen the number of people waiting for an assessment in the community reduced by a quarter. While recent work we have done with care home providers has seen the number of people waiting for care home placements in acute settings cut in half. This has, however, been offset by increased challenges we have faced around provision of care at home, where we see
significant challenges in recruitment and retention of care staff and a need to work with providers to change the nature of the market.

We are clear that tackling these challenges is the primary focus for us, as we are aware that Lothian as a whole has a very good record of preventing admissions – according to the Scottish Government, we have the lowest rate of emergency admission per capita in the country.

On this, the EIJB is clear that the issue is the attractiveness of working in the care sector and the sustainability of independent sector provision, combined with the efficiency and responsiveness of in-house services. This is not a quick fix and the EIJB need to be targeting delivering ahead of the next winter.

**How has this been achieved?**
Through having cohesive plans which are clearly understood by all parties and by ensuring rigour around implementation.

For the future the close involvement of EIJB voting members in the further development of Strategic Commissioning Plans will drive forward individual workstreams and ensure their awareness and oversight to bring more robust governance and understanding.

**What factors might inhibit or facilitate a further shift in the balance of care?**

**Inhibiting**
- Limiting factors include the ability of third and independent sector partners to recruit and retain, the challenges of the labour market in Edinburgh where full employment and cost of living make recruitment of social care staff extremely challenging. This in turn leads to challenges in sustaining independent sector provision in the city.
- Wider workforce issues relating to the ageing workforce.
- Ability to draw down any of the set aside given the rising costs and demands in acute.

**Facilitating**
- National conversation about Health and Social Care sustainability;
- Longer-term financial planning and greater realism about how finances can or should work, which needs to be intimately linked to performance management arrangements generally. As it stands the treatment of these by all parties adds to confusion rather than simplifying the situation.
- As Lothian already has the lowest rate of admission for all ages and for the elderly in the country, there is limited scope for real improvement here. Where there is huge scope is in releasing and reinvesting the significant sums tied up with delayed discharge.

**3. Efficiency Savings**

**What efficiency savings does your IA expect to achieve in 2018/19?**
The target is £20.2m of which £14.9m has been identified.

**What proportion do these efficiency savings represent as a proportion of your total budget?**
3.2%
In what main service areas will these efficiency savings be delivered?

Programme being presented to the EIJB on 18 May is given in the table below:

<table>
<thead>
<tr>
<th>Service Area</th>
<th>£k</th>
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<tbody>
<tr>
<td>Telecare and support planning/brokerage</td>
<td>4,000</td>
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<tr>
<td>Disability services (interim review)</td>
<td>1,200</td>
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<tr>
<td>Legal services</td>
<td>200</td>
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<tr>
<td>Discretionary spend</td>
<td>200</td>
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<tr>
<td>Review of sleepover and night-time services</td>
<td>400</td>
</tr>
<tr>
<td>Review of transport</td>
<td>200</td>
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<td>Review of charges</td>
<td>400</td>
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<tr>
<td>Review of grants</td>
<td>400</td>
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<tr>
<td>Workforce management (including agency costs)</td>
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<tr>
<td>Homecare and reablement</td>
<td>1,000</td>
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<tr>
<td>Prescribing (locality quality initiatives)</td>
<td>3,226</td>
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<tr>
<td>Other schemes (including hosted and set aside)</td>
<td>1,823</td>
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