



CÙRAM IS SLÀINTE NAN EILEAN SIAR

WESTERN ISLES HEALTH AND SOCIAL CARE PARTNERSHIP

Goathill Campus – Financial Gap

PURPOSE OF REPORT

1. To inform the ICMT/IJB of the financial and workforce issues with the Goathill Campus.

BACKGROUND

2. Goathill Campus had been agreed as part of the Comhairle Strategic Housing Investment Plan 2017/22 with the support of Curam is Slainte nan Eilean Siar (Western Isles Integrated Joint Board) and in collaboration with the Hebridean Housing Partnership. The plan was to deliver a large strategic housing site in the Goathill area of Stornoway with the objective to deliver general need housing, 'Extra Care' housing, and a care home hub as part of the re-provisioning of housing to meet the needs of our elderly population.
3. The model that was agreed on would provide a 52 bed care home, 4 wings of 13 beds and 50 extra care flats. Out of the 50 extra care flats 11 would be for respite care and 4 for intermediate care. In total this would result in an extra 25 beds for the care of our elderly available in the Stornoway area of Lewis as shown below:

| Stornoway area | Pre Goathill | Post Goathill |
|--------------------------|--------------|---------------|
| Dun Eisdean Care Home | 38 | - |
| Dun Berisay Care Home | 33 | - |
| Bethesda Care Home | 21 | 30 |
| Bethesda Respite Beds | 9 | - |
| Blar Biudhe Nursing Home | 38 | 38 |
| Goathill Care Home | - | 52 |
| Intermediate Care Beds | 2 | 4 |
| Goathill Respite Beds | - | 11 |
| Extra Care Flats | - | 35 |
| Care Unit Garrabost | 4 | - |
| | 145 | 170 |

4. A report provided the IJB (September 2021) with an update on the revenue estimates. At the time of the report there was a £28,296 revenue shortfall on the Goathill project. By early 2020, the Chief Finance Officer (CFO) had been given notice that the financial shortfall had risen considerably and had escalated the position to senior managers within Comhairle nan Eilean Siar. Work was then started to try and bring the shortfall under control and bring the Goathill project to a break-even position. At budget setting the CFO alluded to the potential shortfall on the project in the 3 year plan.
5. In September 2021 the CFO officer worked with Social Care staff and the projected





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financial shortfall at that time was £1,805k. The Social Care Team has evaluated the staffing model required and the gap has reduced to £1,179k as of 25th November 2021. Any Workforce issues will be discussed within the Health and Social Care Workforce report as the increase workforce required needs to be taken into context with other service requirements

FINANCIAL SHORTFALL

6. Using the latest resource information the projected shortfall for the Goathill campus is £1,179k. The table below shows the gap broken down by spend categories, the biggest area of overspend is the cost of the increase workforce required. The offset of costs relating to mainland transfers in, has been removed as there are considerable budget pressure in the mainland placement budget. The RAG status relates to the risk of the figures changing.

| Goathill Complex 21/22 prices | 2021/22 Budget £ | as 25/11 Estimate £ | Variance £ | Financial Risk |
|--|------------------------|---------------------------|-------------------|-------------------|
| Expenditure | | | | |
| Staffing Cost | | | | |
| Carehome Beds @ 52 | 3,173,736 | 2,895,180 | 278,556 | M |
| ICB and Respite @ 15 | 149,733 | 590,801 | -441,068 | M |
| ExCH - @ 35 | 0 | 1,332,708 | -1,332,708 | H |
| Staffing Total | 3,323,469 | 4,818,689 | -1,495,220 | |
| Other Expenditure | | | | |
| Premises Costs | 407,677 | 427,515 | -19,838 | L |
| Travel | 9,161 | 8,379 | 782 | L |
| Supplies and Services | 313,296 | 265,467 | 47,829 | L |
| Other Total | 730,134 | 701,361 | 28,773 | |
| Total Costs | 4,053,603 | 5,520,050 | -1,466,447 | |
| Income | | | | |
| ExCH income | | -434,019 | 434,019 | H |
| Less Voids | | 9,400 | -9,400 | H |
| Residential Income estimate on 52 beds | | -639,254 | 639,254 | L |
| 11 ExCH Respite beds | | -78,001 | 78,001 | M |
| > 9 ex-respite Bethesda beds | | -46,821 | 46,821 | M |
| Present Income Budget | -1,093,340 | | -1,093,340 | L |
| Contribution from NHS | | -59,809 | 59,809 | L |
| Other Fees and Charges | | -17,908 | 17,908 | L |
| 8 week assessment period | | -32,694 | 32,694 | H |
| 8 week assessment period other | | -81,736 | 81,736 | H |
| Income Total | -1,093,340 | -1,380,842 | 287,502 | |
| NET COSTS | 2,960,263 | 4,139,209 | -1,178,946 | |





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7. To put the shortfall into context the IJB Social Care has a £2m underlying deficit which is the result of flat cash being provided for the last 4 years (no inflation uplift to pay for staff pay increases for example). The IJB budget process for 22/23 will start with a minimum of a £3.2m budget gap just on Social Care workforce issues without the NHS Partner's pressures and any other pressures including off island and on island placements.

MITIGATION WORK

8. Given the combined risk associated with both the workforce shortfall and the financial gap the following represented short term plans to mitigate the risk:
 - Secure additional funding from Partners to close either the expenditure or income gap. Round figures indicate a gap of circa **-£1,179k**

This sum sits in **addition** to the underfunded position from CnES over the last 4 years which is a **-£2,000k** recurring deficit in the Social Care element of the overall IJB budget as explained in paragraph 7.
- 9 Work has been done to review the staffing model of care and the current charging policy for Care Homes. Review "off-island placements" continue but to note many individuals require a high level and complex package of care and it is unlikely the Local Authority can recruit the workforce to provide that on the island. The placement budgets are also under pressure from transitions and the risk of home placement breakdowns.

RECOMMENDATIONS

10. It is recommended that members of the ICMT/ IJB:
 - Note the Gap in funding above and
 - Agree to the report going forwards to the IJB with the clear requirement regarding direction to CnES regarding the funding shortfall and action plan to mitigate recruitment risk

Debbie Bozkurt and Nick Fayers
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