



CÙRAM IS SLÀINTE NAN EILEAN SIAR

WESTERN ISLES HEALTH AND SOCIAL CARE PARTNERSHIP

IJB INVESTMENT STRATEGY

PURPOSE OF REPORT

1. This report updates our broad strategy for investing and managing reserves held by the IJB.

COMPETENCE

2. There are no legal or HR matters arising from the paper. The financial investment proposals are set out in the detail.

SUMMARY

3. The integration of health and social care is a flagship Scottish Government policy which has received significant backing in the context of the Scottish budget. As part of the 2015/16 settlement, Ministers top-sliced core NHS funding to ensure that resources were passed to IJBs for investment in primary and community care and to support the process of delivering more sustainable community based health and social care services.
4. There are a number of specific funds that have been delegated to the IJB to support the transformation of services. When the IJB Strategic Plan was agreed in March 2016, our investment strategy focused on three broad areas: mental health redesign (to support short-term double running costs), intermediate care (the absence of which was contributing to delayed discharges and which had been picked up as part of the joint inspection), and the redesign of the residential estate in Lewis (to boost long-term care capacity as part of a move to a mixed economy of care). This paper seeks to provide an update on our investment plans against these priorities.
5. In addition to the change funds, during 2016/17 the IJB did not use its full allocation of resource passed to it by the Comhairle. This was a result of higher-than-anticipated care home income and because service redesign opportunities (in homecare in particular) had freed-up resource for subsequent investment.
6. We therefore brought a paper to the IJB in autumn of 2017 to agree how best we use reserves generated from in-year underspend and change funds held in balances. The IJB agreed that we should invest some of that resource in two areas: in service redesign that supports our transformational programmes; and in apprenticeship schemes that secure our future workforce. The IJB further agreed to hold some of the resource in reserve to provide some protection against the cost of increasing service pressures. This report updates members on our proposed investment strategy, including on the use of reserves to balance the 2018/19 budget.

RECOMMENDATIONS

7. It is recommended that the IJB:
 - a. Agrees to the investment plan set out at Annex 1.

Ron Culley
Chief Officer, Health and Social Care
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BACKGROUND

8. The integration of health and social care is a flagship Scottish Government policy which has received significant backing in the context of the Scottish budget. As part of the 2015/16 settlement, Ministers top-sliced core NHS funding to ensure that resources were passed to IJBs for investment in primary and community care and to support the process of delivering more sustainable community based health and social care services.
9. There are a number of change funds that have been delegated to the IJB for the purposes of long-term investment:
 - The Integrated Care Fund – £640k of baselined funding to support the implementation of the strategic plan.
 - Delayed Discharge Fund - £192k of baselined funding to address delayed discharge by delivering quality care and supporting people at home or in a homely setting.
10. When the IJB Strategic Plan was agreed in March 2016, our investment strategy focused on three broad areas: mental health redesign (to support short-term double running costs), intermediate care (the absence of which was contributing to delayed discharges and which had been picked up as part of the joint inspection), and the redesign of the residential estate in Lewis (to boost long-term care capacity as part of a move to a mixed economy of care).
11. This led to a number of investment proposals being agreed by the IJB in December 2016:
 - **Community Equipment Store.** This involved a £110k per annum ongoing commitment to the maintenance of the community equipment store, thereby ensuring faster response times for people with assessed needs (both community based and delayed in hospital)
 - **Long-term Care.** An ongoing cost in respect of the expansion of long term care beds (via the development of respite beds in Bethesda). This cost has been met until 2018/19, at which alternative resources are required. In addition, to boost core capacity, the four remaining external care home beds in Blar Buidhe and Leverburgh were targeted at a cost of £120k per annum.
 - **Intermediate Care.** A three year investment of £250k per annum to support bed based reablement (step-up/step-down), which was proposed to be subsequently subsumed within the redesign of Residential Care in Lewis.
 - **Mental Health Redesign.** This involved a £45k one year commitment to a mental health redesign programme manager, £250k per annum for two years to support double running costs which could emerge as a result of disinvestment from hospital wards, and baselined £250k per annum to support the transition of Clisham ward patients to long-term care.
12. In addition to the investments made from the specific change funds, wider redesign initiatives have opened up opportunities for reinvestment, not least because of the redesign of the homecare service and the Mobile Overnight Support Service. This allowed investment to be targeted at future reforms, such as the development of emergency social care capacity out of hours.

REPOSITIONING OUR BASELINED INVESTMENT

13. Over the course of 2016/17 and 2017/18, we have been putting arrangements in place to deliver on these proposals. The Community Equipment Store is functioning well and has benefited from stability of investment: it has allowed us to retain core capacity in the community and supported wider reforms around delayed discharge. The expansion of long-term care has now been maximised locally and provides us with additional community capacity as we continue to reduce the number of people delayed in hospital. The mental health redesign is now firmly underway, with the programme manager in place and the transitional monies available to be allocated to backfill ward staff as we recruit to community positions.

14. The intermediate care service has taken some time to develop, not least because of registration complications with the Care Inspectorate; it has also struggled to achieve a full staffing complement, with some posts failing to attract viable candidates.

IJB INVESTMENT

15. In September 2017, the IJB decided to use reserves to insulate itself against future pressures, at the same time as investing in transformational programmes and in measures designed to deliver a sustainable workforce. It was agreed that £500k of resource would be invested over five years in an apprenticeship scheme to support the development of new recruits into social care and to apply further reserves to transformation work in support of a refreshed strategic plan.
16. Having worked within these parameters, it is apposite to update the Joint Board on our investment strategy and use of reserves. The initial allocation of **£500k** for an apprenticeship scheme remains in balances but will now be committed against a profile of investment over a two year period to bring forward the benefits of the scheme. Work has been undertaken with the Comhairle's HR function to ensure that there is an effective programme of investment capable of producing a dividend in terms of future social care capacity which aligns with the redevelopment of Dun Eisdéan and Dun Berisay.
17. In addition, in order to deal with budget pressures and deliver a balanced budget for 2018/19, a quantum of **£600k** of reserves will be utilised within the 2018/19 budget. While this does not deliver a long-term solution to the budget gap, it provides an opportunity to move forward while also pursuing transformational change. This would leave £514k in reserves to deal with future pressures.
18. Finally, in respect of transformation, we will commit an initial sum of **£450k**, of which £135k will be directed towards the transformation of primary care; £65k will be directed to support a new commissioning strategy for palliative and end of life care; £200k will be used to support the infrastructure change required by integration (e.g. co-location of teams, upgraded IT, organisational development); and £50k to support further work on prevention work which supports people to remain safe and independent at home. More detailed proposals will be worked up in each of these areas of expenditure. This will leave an additional £556k to support transformation in future years.
19. Existing allocations will continue to be invested in line with IJB expectations. The **£500k** set aside for mental health redesign will be used to support the transition to community service, along with ongoing project delivery costs. The resources for the intermediate care service have now been baselined and are not subject to one-off funding arrangements from reserves.
20. The consequence of this investment strategy is that £514k will remain to protect against future pressures, with a further £556k available to support future transformation. It is important to note, however, that while transformation is intended to improve outcomes for patients and service users, it will also need to deliver financial efficiencies. The Chief Officer and Chief Finance Officer are working on a long-term financial plan that will seek to quantify the level of savings required, recognising that the use of reserves can only be a short-term means of bridging a budget gap.

CONCLUSION

21. The IJB is invited to agree the proposed investment proposals outlined in Annex A.

Ron Culley
Chief Officer, Health and Social Care
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ANNEX A – INVESTMENT PLAN

IJB Reserves - 5 year plan

	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	Total Resource needed over 5 years
<u>Short Term projects (<5 years)</u>						
Mental Health Redesign (Programme Manager)	36	37				
Mental Health Redesign (Transitional Funding)		213	250			
Transformational Change		450	450	106		
Apprenticeships in Social Care		250	250			
	36	950	950	106		2,042
<u>Other spend identified</u>						
Specific Commitments	99					
Future Service pressures		600	300	214		
	99	600	300	214		1,213
Total Investment Costs	135	1,550	1,250	320		3,255

Reserve Funds carry forward

IJB Reserves b/f 16/17:

2015/16 carry forward for respite beds	408
Initial commissioning of respite beds	181
2016/17 Integration Transition Fund	640
2016/17 Delayed Discharge c/f	155
2016/17 SF - IJB c/f	329
2016/17 CnES Health and Social Care Underspend	1,237
NHS WI	206
	3,156

Specific Commitment funds carry forward

Self-Directed Support	53
Community Justice	12
Sight Action	2
Carers Information Strategy (2016/17)	32
	99

	3,255	0	0	0	0	0
Total Funding available	3,255	-	-	-	-	3,255

