

CÙRAM IS SLÀINTE NAN EILEAN SIAR

**WESTERN ISLES HEALTH AND SOCIAL CARE
PARTNERSHIP**

BUDGET STRATEGY: 2017-2019

1. Background

The Public Bodies (Joint Working) (Scotland) Act 2014 provides the legislative framework for the integration of health and social care services in Scotland. It requires local authorities and health boards to integrate adult health and social care services – including some hospital services. It also provides the option locally to add-in children’s services, criminal justice and additional hospital based services.

The main aim of the Act is to improve the wellbeing of people who use health and social care services. It does this by requiring local partners to:

- create a single system for health and social care services
- develop more informal community resources and supports
- put the emphasis on prevention and early intervention
- improve the quality and consistency of services
- provide seamless, high quality, health and social care services

The legislation requires Health Boards and Local Authorities to establish formal partnership arrangements to oversee the integration of services. Like most partnership areas, this has been done in the Western Isles through the creation of an Integration Joint Board (IJB), which is a partnership body designed to take decisions about how to invest resources and deliver services.

The IJB is not an organisation which employs members of staff but it does have the authority to direct the two parent bodies – the Health Board and Local Authority – about how it wants integrated services to be delivered.

Each IJB is required to put in place a strategic plan for services and budgets under its control. The Western Isles strategic plan was widely consulted upon with non-statutory partners, patients and service-user representatives. It was formally adopted by the IJB in April 2016.

2. Our Vision and Values

Our vision is that by 2020 the people of the Western Isles will be living longer, healthier lives at home, or in a homely setting. We will have an integrated health and social care system, which focuses on preventing ill-health, anticipating care needs and supporting recovery.

We will work with people and communities to develop a framework of mutual responsibility for health and wellbeing, framing the rights and responsibilities that we all have as residents of the Western Isles.

Our care will be delivered by integrated teams, with the traditional roles of health and social care professionals changing and adapting over time to meet the needs of the population. Care will be provided to the highest standards of quality and safety, with the person who uses our services at the centre of all decisions. We will seek to personalise support arrangements, to maximise people's ability to exercise choice and control over the lives they lead. We will build on the support arrangements and assets

that people have in their lives and support unpaid carers as equal partners in care.

We will prioritise support for people to stay at home or in a homely setting as long as this is appropriate, and avoid the need for unplanned or emergency admission to hospital wherever possible. When hospital treatment is required, and cannot be provided in a community setting, there will be a focus on ensuring that people get back into their home or community environment as soon as appropriate, with minimal risk of re-admission. Lengthy hospital stays will become a thing of the past.

Health and social care services will be planned and delivered as locally as possible. This means the day-to-day services that people rely on to support their personal independence will be organised and coordinated within localities. We will increasingly operate our local services from health and social care hubs, which bring together a range of services within a single campus. Other services, which people use more periodically to sustain their independence, or which require highly specialised input, will operate across localities or will be provided in centres of expertise on the mainland.

3. The IJB Strategic Plan

The strategic plan has been developed through a process of engagement with local communities and the people who work in health and social care.

Our strategic priorities are expressed as 25 ‘deliverables’ which will improve personal outcomes and deliver a more sustainable health and social care system against a backdrop of increasing demand for services and budgetary constraints.

These strategic priorities are the output of the work we’ve done to assess and forecast the needs of the population, consider how best our services can respond to those needs, and identify how best to deliver the required change.

The importance of delivering on the strategic objectives for the success of our partnership cannot be over-stated. It is the mechanism by which we will deliver better care and support for people, and make better use of the significant resources we invest in health and social care provision.

The simple truth is that our services cannot continue to be planned and delivered in the way they have been; the current situation is neither desirable in terms of optimising wellbeing, nor financially viable. With the full involvement of all stakeholders, and the creation of a single system for the planning and delivery of services, we can now think innovatively about how support services might be provided in the future.

Caring for more people in the community will result in a shift in resources from hospitals to community-based care. This shift will be recognised as a positive improvement in the quality of our services, progress towards our vision and therefore the kind of service change we expect to see.

The 25 deliverables are set out in summary form overleaf – but a full description of what these changes will involve are set out in the strategic plan, which can be accessed at the following link:

www.ijbwesternisles.scot

Our 25 Deliverables: Create Locality Planning Groups; Develop Multi-Disciplinary Teams; Reduce Polypharmacy; Strengthen Adult Protection; Expand Self-directed Support; Provide Intensive Reablement; Improve Dementia Care; Create a Step-up/Step-down Care Facility; Redesign Mental Health; Support Collaboration between GP Practices; Roll-out Anticipatory Care Plans; Reform Residential Care; Tackle Social Isolation; Reduce Alcohol Misuse; Expand Self-management; Support Unpaid Carers; Invest in Early Years; Improve Palliative Care; Tackle Delayed Discharge; Utilise Technology and E-health; Reduce Off-island Care; Establish an Integrated Hub in every Locality; Implement our Workforce Plan; Support our Staff to Stay Healthy at Work; Secure our Homecare Workforce

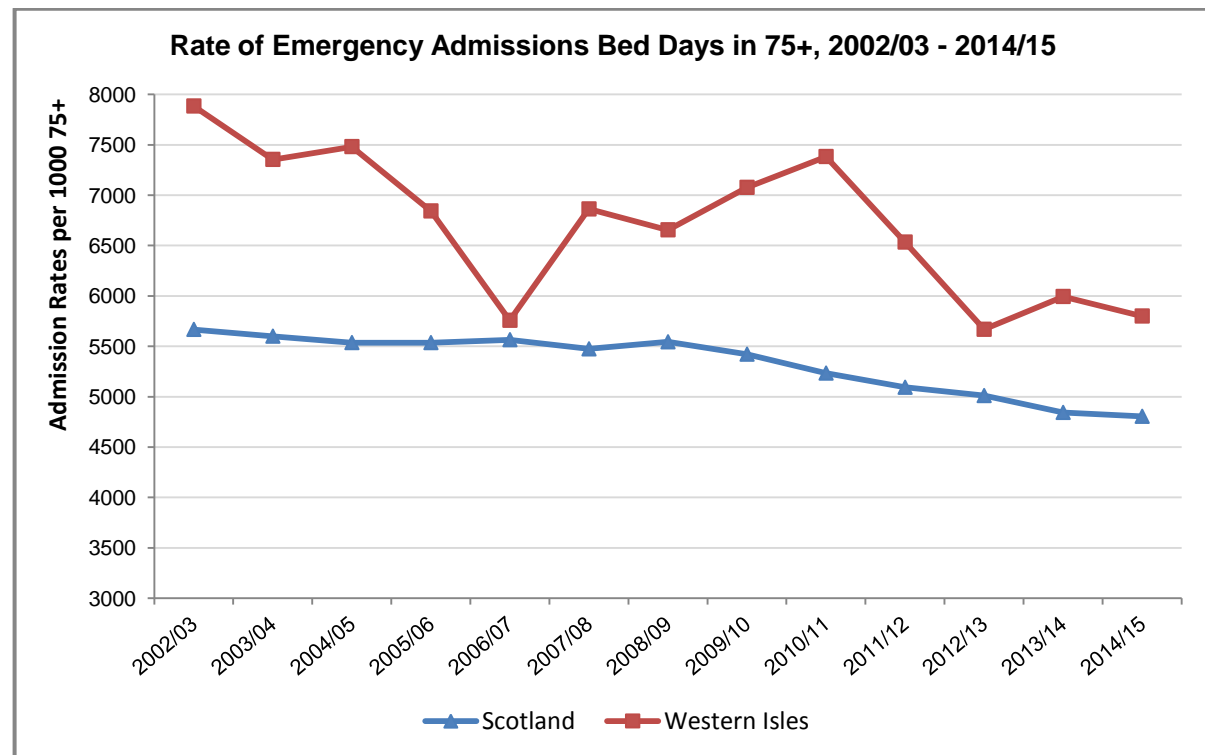
4. Performance

Although we are making real improvements across a number of indicators, the level of emergency hospital activity for older people is the highest in Scotland when measured in terms of the hospital bed days that older people utilise.

Indeed, arguably our greatest failing as a partnership has been in the length of time that older people wait in hospital despite being ready for discharge. Hospitals are not the most appropriate setting for long-term patient care. We have been working hard to turn this around – but now need to become more radical in shifting resources from supporting people to stay in hospital to supporting people to live in the community. That will involve

reducing the number of hospital beds, and doing more work to stop people being admitted to hospital when it is not necessary. It will mean helping people to recover their independence through reablement and intermediate care.

Hospital Emergency Admission Bed Day Rates Age 75+



5. Our Resources

The financial outlook for the next three years is very challenging. The IJB has a proposed outline budget of £58million for 2017/18, which will require us to make significant efficiency savings. We are looking to find savings of £1.5million for 2017/18.

Budget Setting Process

Before the IJB agrees a budget, a number of steps have to be taken, beginning with the Scottish Parliament's overall budget setting process, which determines the level of funding is given to the NHS and how much money is given to local government. Once that information is known, NHS Western Isles and Comhairle Nan Eilean Siar will each set their own budget for the year.

The IJB budget is made up of resources passed to it by the two parent bodies. These resources are intended to reflect the functions or services delegated to the IJB. The budget then has to be agreed by the IJB on the basis that it is able to meet its statutory requirements.

2017/18 Budget

The budget for 2017/18 includes an increase of 1.5% to the base budget of NHS Western Isles (£1.049 million), but from that additional increase, £0.7m will pass to the IJB to fund the national commitment to the living wage. This reduces the NHS uplift to 0.53%, compared to 1.7% for 16/17. The baseline budget of Comhairle nan Eilean Siar will reduce for a second year in succession, from £100m in 15/16 to £93m in 17/18. Insofar as the parent bodies of the IJB have received a very challenging settlement, so it follows that the IJB settlement is equally challenging.

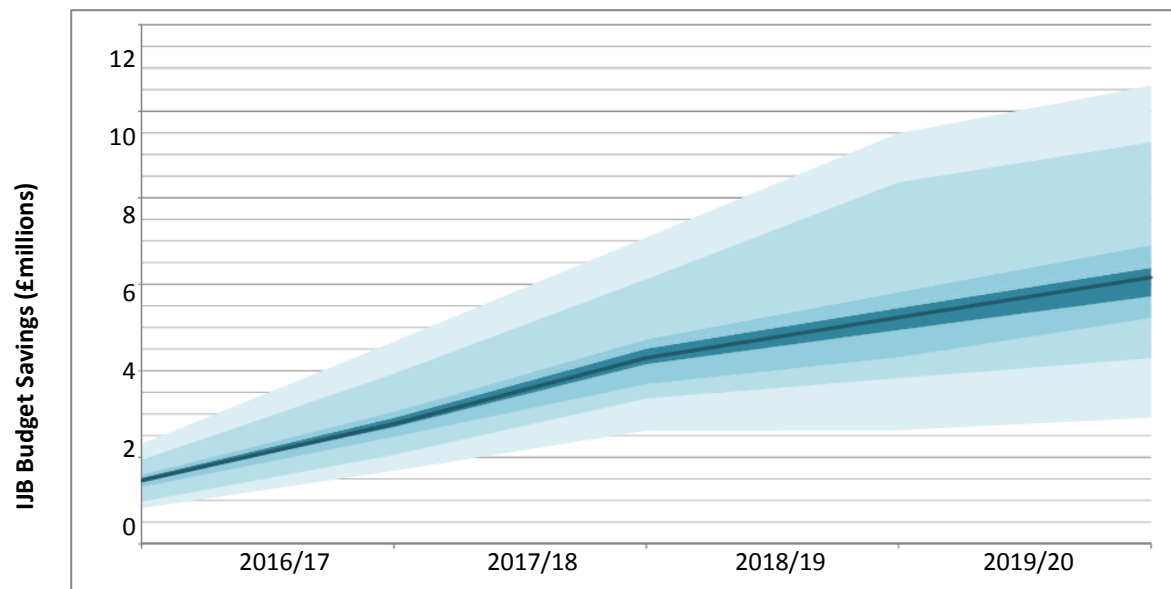
While the IJB will acquire a modest budget increase of 0.3% on 2016/17 levels, it is offset by additional costs caused by rising demand for care (because of the changing structure of the population), the cost of new drugs and pay increases to staff. We therefore have a budget gap of £1.5m.

It is also worth noting that although the IJB budget is £58m, the savings have to be found from a smaller pot (about £48m) because some of the overall resource funds the contract for GP Services, and therefore we cannot target this area with direct efficiency savings.

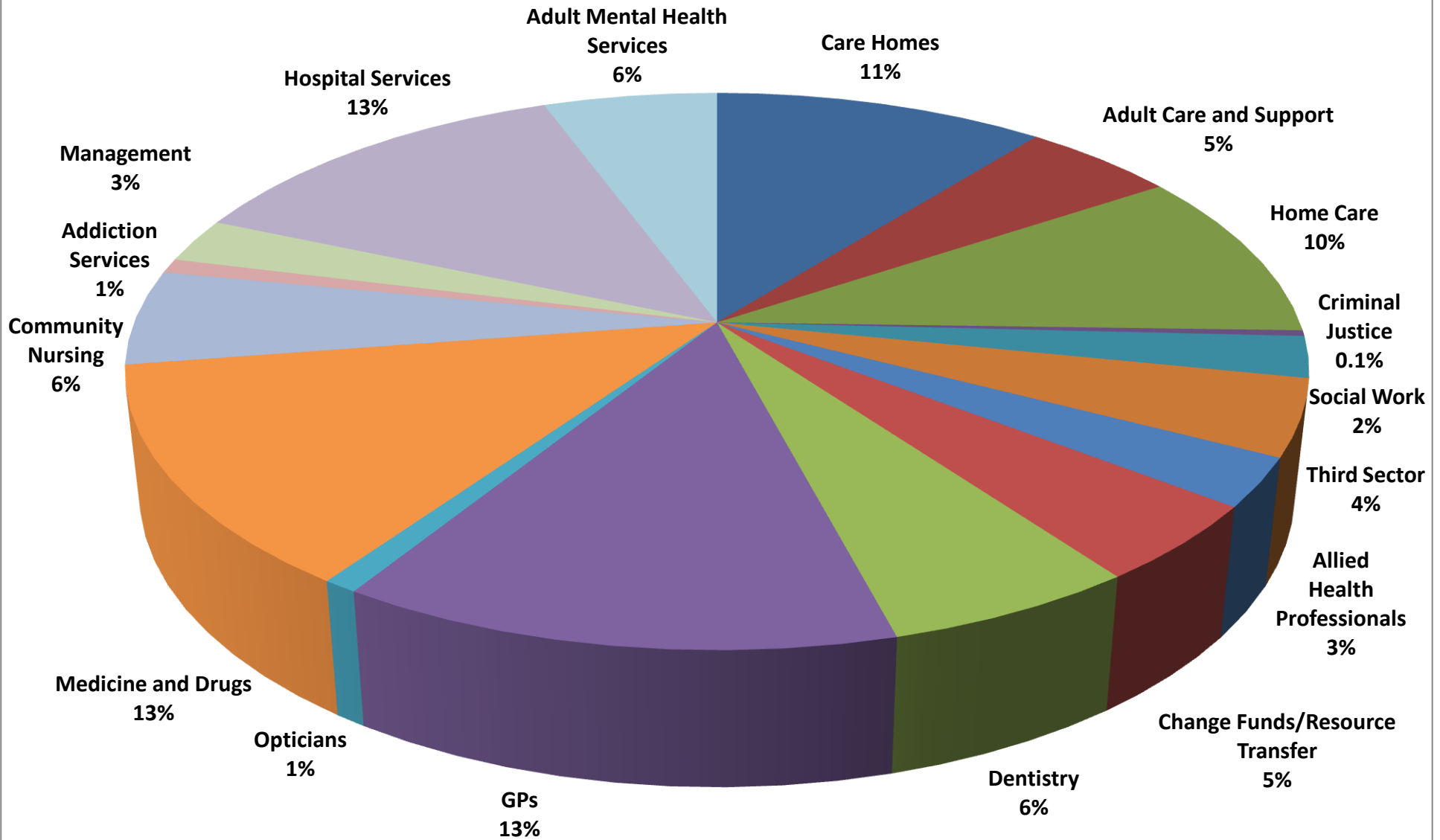
2018/19 and 2019/20

The Scottish Government identified a one-year budget for 2017/18, which means that the IJB cannot plan for future years with certainty. However, we can make reasonable assumptions about the likely pressures that will emerge based on recent trends in public sector finance. The Scottish Budget is anticipated to grow from £26.1bn in 2016/17 to £26.7bn in 2019/20, representing a modest cash increase. Typically, the Scottish

Government has chosen to offer some protection to the NHS in Scotland, while reducing the local government settlement. The experience of the last few years would indicate that the IJB settlement will increase by up to 0.5%. By contrast, inflationary and demand pressures will increase by at least 4-5% each year. In cash terms, in 2017/18 the savings requirement is £1.5m, and we anticipate further savings of £1.5m-£2.5m each year for the next two years. This means that transformation rather than efficiency will be the primary driver of change over that period.



How we currently invest the budget



6. Our Budget Strategy

In our strategic plan, we set out an agenda based on the human rights of the people who use our services:

- Respect for the inherent dignity and worth of all individuals.
- Promotion of individual autonomy including the freedom and support to make one's own choices.
- Support to ensure full and effective participation and inclusion in society.
- Respect for difference and a desire to respond to individual needs.
- Equal access to resources, services, information and opportunity.

A human rights based approach is about empowering people to know and claim their rights and increasing the ability and accountability of individuals and institutions who are responsible for respecting, protecting and fulfilling rights.

Within this context, we have outlined a range of savings which will help us to produce a balanced budget – which we

are legally required to do. Some of these savings have already been earmarked from last year, but most are new.

Savings we have already earmarked:

As part of the two-year budget planning work undertaken by the Comhairle for 2016-18, we have already committed to a number of efficiency proposals which we will need to deliver on for 2017/18. It is important to note that these are assumed within the budget and will not contribute to bridging the gap. All savings in this section are within CNES services:

- We will invest in fleet cars for the homecare workforce to reduce the amount of travelling expenses we pay. We think this will save £10,000;
- We will reduce the amount of overtime we pay by 50%, saving £30,000;
- We will seek to reduce sickness absence by 10%, saving £22,500;
- We will reduce the staffing complement within Ardseileach by one post, saving £21,500;
- We will reduce day care management capacity in Uist, saving £15,500;

- We will reduce care home management costs in Lewis and Harris, saving 17,500;

The draft budget gap of £1.5m is over and above the savings earmarked above. The scale of the savings is such that we will need to be careful our reform work is protected. With this mind, we are looking at the following measures over the next two years to further reduce the gap between the cost of providing services and the available budget:

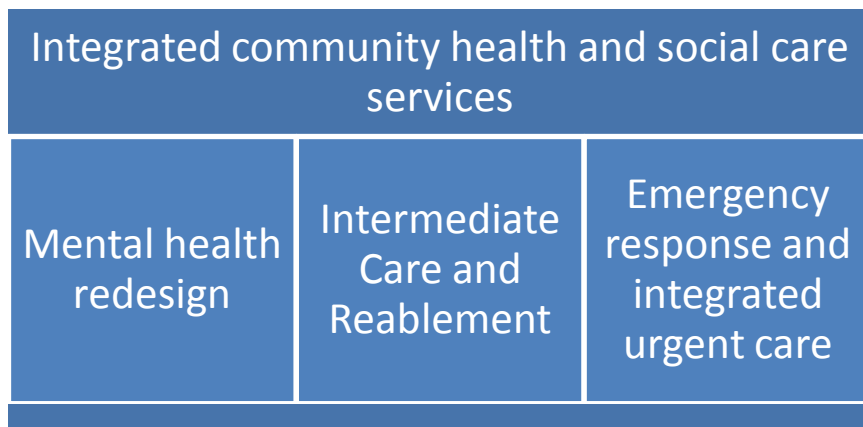
Additional Savings Proposals:

- We will centralise all laundry services within our care homes, making a saving of £35,000 from 2018/19
- We will work with our third and independent sector partners on an open book basis to find back-office efficiency savings, applying the principle that we will seek to protect their core services
- We will enhance community care customer service to improve triaging and sign-posting, saving £20,000 from 2018/19
- We will redesign dental services and maximise efficiencies, saving in excess of £300,000 in 2017/18

- We will freeze some vacant posts and where possible delay recruitment, saving £360,000
- We will redesign services for people with learning disabilities, saving £150,000
- We will invest in improved transport and day-care for older people, and reduce the cost of bespoke lunch-time packages, saving £20,000 from 2018/19
- We will seek to more effectively manage the cost of prescribing including the collection of rebates, saving £130,000
- We will seek to make procurement efficiencies by ensuring that all products are bought through national contracts where possible saving £30,000
- From April 2017, we will introduce our approved charging regime for some social care services. We think this will raise £15,000
- From April 2017, we will increase our charges for residential care by up to 3%. This will raise around £15,000 (this is already included in the base budget)

How we will deliver sustainable services through transformational change

Our budget strategy points to three transformational agendas which we think will make the biggest difference to the sustainability and underpin integrated community health and social care services:

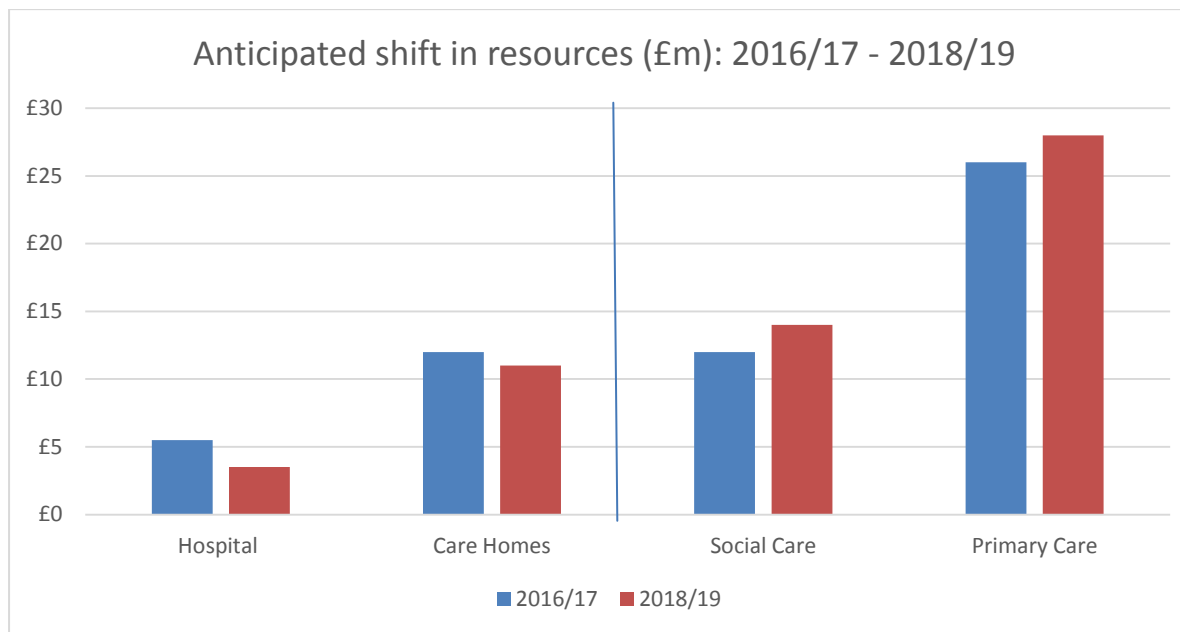


By making these changes, we think that our resources will be better used, and will focus on maximising people's independence, rather than drawing people into hospital.

Service Development and Change:-

- Discharge to assess - no older person should have their longer-term needs assessed from hospital bed
- Intermediate care service to support rehabilitation for up to 6 weeks, including:
 - Bed Based Step-up/Step Down Care
 - Reablement at home, supported by a multi-disciplinary team focused on rehabilitation
- Recovery model in mental health, optimising people's well-being and independence
- Older people with dementia will no longer have to live in hospital.
- Multi-disciplinary team overseeing urgent care – preventing unnecessary hospital admission by providing short term support for up to 48 hours
- Integrated Community Health and Social Care Teams, with responsive local leadership under a single manager
- Redesign of dental provision, maximising the role of independent practice and streamlining NHS provision
- We will redesign palliative and end-of-life care

One of the over-arching goals of the strategic plan is to shift resources from building-based services like hospitals and care homes to community based settings, where people are supported in their own homes. For example, we anticipate that as we shift away from long-stay psychiatric hospital care towards community based care and diagnosis, and as we make inroads into delayed discharge, we will see our overall investment in hospital reduce, with a corresponding increase in primary and social care. This is shown in outline terms in the graph below:



The consequence of this shift will not just be our budgetary provision changing over time but also how we deploy our staff – our most valuable asset.

We will work with our staff teams to support the transition towards community based care, including consideration of any training and support arrangements that have to be put in place.

In order to deliver against this wider objective, we will also take forward key workforce policies designed to attract, retain and support people to deliver high quality health and social care.

We hope this transformational agenda will deliver more sustainable health and social care services into the future.

Frequently Asked Questions

Why not target your savings on reducing management costs?

In 2016/17, the IJB took over £180,000 of senior management costs out of the operating system. Although we will always prioritise front-line staffing and look for ways to become as lean as possible, the management structure is the minimum we would want to be able to run services safely and efficiently

Why not freeze the salaries of well-paid managers and professionals?

Pay arrangements in the NHS are negotiated nationally, as are the contractual arrangements for GPs. While there is more flexibility locally on the council side, the pay negotiations are again taken forward at a national level.

If we didn't spend so much on supporting people who are delayed in hospital, we could use that money to support better community services

There is some truth in this, which is why we've developed a strategic plan that focuses on tackling delayed discharge and shifting the balance of care towards community support.

Why not give carers proper contracts and encourage more local working, which is bound to save money?

The IJB is currently rolling out major reforms in respect of contracts for care workers, and is looking for more care and support to be provided from within localities. We are also looking at mileage wizard and fleet cars to reduce travel costs.

