



The Scottish Parliament
Pàrlamaid na h-Alba

Jeane Freeman MSP
Cabinet Secretary for Health and
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Via email only

Health and Sport Committee
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Dear Cabinet Secretary,

Scrutiny of NHS Boards

Following evidence sessions with regulatory public bodies and special NHS Boards in January and May 2017, the Health and Sport Committee has been undertaking one-off evidence sessions with all territorial Health Boards.

As the Committee nears completion of hearing from all the territorial boards we have been collating some of the common themes and failings which have emerged. A brief summary of these is attached for information as an annexe.

Given the breadth of issues and the extent of commonality emerging the Committee have concerns about the extent to which effective monitoring of performance is taking place. Of particular interest is early identification and addressing of failings, both financial and to meet targets, before there are significant impacts on service delivery and the public purse.

The Committee would therefore welcome your views on the adequacy of performance monitoring by both Boards and Government. The Committee would also welcome details of any actions the Scottish Government are taking to address these concerns.

I would welcome a response by 14 December 2019.

Yours sincerely

Lewis Macdonald
Convener, Health and Sport Committee

Integrated Joint Boards - Leadership

Our [Corporate Governance report in 2018](#), our [2018 pre-budget scrutiny report](#), our ongoing [scrutiny of NHS health boards](#) and our recent pre-budget scrutiny report, '[Looking ahead to the Scottish Government - Health Budget 2020-21: When is Hospital bad for your health?](#)' all provide evidence to highlight challenges at senior leadership level. We remain clear that only through strong leadership can the transformational change required across health and social care be delivered. We have no evidence this is happening consistently.

The Scottish Government has previously confirmed to the Committee that 'NHS boards are responsible for providing the vision and the strategic direction through which they deliver high-quality, safe and effective care to our communities.'ⁱ

Four years into the integration process there is evidence that funding for integration authorities is still failing to 'lose its identity' and become partnership funding as legislation intended. It is clear that improvements require to be made.

Financial performance and brokerage

A key concern for the Committee, and a common theme across the majority of boards we heard from, related to financial performance and sustainability.

Reviewing NHS Ayrshire and Arran, NHS Borders and NHS Highland specifically, the Committee were concerned to hear all three boards received brokerage from the Scottish Government in recent years.

All three boards were escalated to 'Stage 4', the second highest level of concern and risk identified by the Scottish Government, which is defined as there being '*significant risks to delivery, quality and financial performance or safety; senior level external support required*'.ⁱⁱ

NHS Ayrshire and Arran confirmed in our evidence session on [Tuesday 15 May 2018](#) that they received £23 million in brokerage from the Scottish Government in 2017 and the Chief Executive confirmed the board will "require further brokerage over the two following years".ⁱⁱⁱ

NHS Borders are in a similar position, indicating in written evidence that there has been a marked increase in pay cost, drug costs and efficiency targets over the past two years which caused an overspend in budget.

The NHS Borders board paper in January 2019 stated,

'Based on current information NHS Borders financial gap for 2019/20 is between £15m and £20m (depending on whether a share of the Barnett consequential funding is available to the Board) with the potential to increase if the clinical/operational pressures cannot be managed.

The size of the deficit is significant in 2019/20 although lower than in 2018/19. It is expected that in line with the recovery plan the Board will require brokerage in 2019/20 to achieve financial targets'

At our Committee meeting on [12 March 2019](#), Chairman John Raine confirmed,

“There will be no quick fix; we are planning on a three to five-year turnaround. The extent of the overspend includes brokerage of just over £10 million on a budget of little more than £200 million, so it is a significant proportion. Pulling that back will not be easy.”^{iv}

Finally, our evidence session with NHS Highland on [3 September 2019](#), confirmed that brokerage of £18 million was received from the Scottish Government in 2018/2019. This is the second year in a row the board has received brokerage and the third occurrence since 2013/14.^v

Chief executive, Ian Stewart confirmed, “we expect to require brokerage of approximately £11 million this year and £8 million next year. We hope to break even in the third year.”^{vi}

He also explained, the “three main overspending areas are medical staffing—particularly locum medical staffing—drugs and social care.”^{vii}

Brokerage was also an issue we investigated in our recent Committee pre-budget scrutiny report, [‘Looking ahead to the Scottish Government - Health Budget 2020-21: When is Hospital bad for your health?’](#)

Delayed Discharges

As at the beginning of November seven out of the ten health boards the Committee took evidence from had significant challenges relating to the number of days where beds are occupied by patients ready to be discharged into the community.

Taking NHS Lanarkshire as an example, the [most recent data \(January 2019\)](#), shows no improvement against other health boards, and an increase in delayed discharge on the same time last year. The number of bed days were 4211 against 3488 in January 2018 in NHS Lanarkshire. Lanarkshire residents were also responsible for around 500 bed days in other health board areas (total of the bed day delays for each local authority area added together).^{viii}

Understanding the reasons for levels of delayed discharge was also a key aspect of our 2019 Committee pre-budget scrutiny report, [‘Looking ahead to the Scottish Government - Health Budget 2020-21: When is Hospital bad for your health?’](#).

The Information Services Division (ISD) Authority provided statistics for the number of days where beds are occupied by patients ready to be discharged, for each Integration Authority over the past two years. The overall figure for Scotland has increased from 493,614 (2017/18) to 521,215 (2018/19), an increase of **6%** overall.^{ix}

It is clear that in both Integration Authorities and health boards across the country, delayed discharge is an ongoing issue which needs to be given the utmost priority. Our pre-budget scrutiny report recommended that an 'increased focus is given on the 'front door' of hospitals reducing unscheduled care and admissions and ensuring the needs of patients are met and addressed in other areas of the NHS. A proactive approach with emphasis on preventative medicine, GPs working with care homes and district nurses in the community will reduce heavy reliance on acute service.'^x

Patient Waiting Times

Cancer

All of the NHS boards we took evidence from encountered challenges when meeting national targets for patient waiting times. Cancer patients awaiting treatment has been a consistent and recurring theme.

Child and Adolescent Mental Health Service (CAMHS)

Over half of the NHS boards we heard from were not achieving the required target of **90%** of patients waiting no longer than 18 weeks from referral to treatment for Child and Adolescent Mental Health Services (CAMHS).

In NHS Fife, **74.1%** of patients started treatment within 18 weeks during the three month period covering December 2018 to February 2019 compared to **83.9%** in the quarter ending 2018. CAMHS waiting times in NHS Fife have also been below standard since 2014.^{xi}

The Annual Operational Plan for NHS Borders also shows that in November 2018, six out of the nine performance targets were not being met and were out with the 10% tolerance level. The CAMHS waiting time was included in this indicator - performance was reported out with the 10% tolerance level for four consecutive months.^{xii}

A similar situation was occurring in NHS Highland in 2018/2019 (**81.4%** of children and adolescents commenced treatment within 18 weeks against a target of 90%).

Recruitment

Boards we heard from had significant challenges around recruitment, staffing pressures, sickness absence and subsequent agency spend. This in turn affects their financial performance and their ability to meet targets.

NHS Dumfries and Galloway, as an example, had one of the highest consultant vacancy rates in 2018 at **20.9%**, with all vacancies long term (six months or more).

The recent Information Services Division (ISD) Scotland Report [NHS Scotland Workforce: Latest statistics at 31 March 2018](#), explains,

"The highest vacancy rates are generally in Boards with more of a rural profile whereas Boards that incorporate (or are in close proximity to) medical and dental

training schools generally have the lowest vacancy rates. Prospective medical and dental students from rural locations move to Scotland's major cities in order to undertake their training at university. Once there they are more likely to stay for their professional training. There is an ongoing challenge for Boards with a more rural profile to attract them back home once they are qualified".^{xiii}

Agency spend

One of the consequences of a high vacancy level is the need to recruit medical locums which in turn affects the boards budget and financial performance. In 2018, agency staff costs for NHS Dumfries and Galloway were £11.972 million, an increase from £10.686 million in the previous year.^{xiv}

We saw a similar trend in NHS Highland. In 2018/19, NHS Highland spent £12.8 million on medical agency staff. This was an increase of 8.3% on the previous year and the third highest spend in the country.^{xv}

A high vacancy rate can also affect morale and the mental health and well-being of existing medical staff which can in turn increase absence and sickness levels. We understand in NHS Lanarkshire's quarterly performance report staff absence was marked at 'amber' in June 2018 and was above the national average at **5.65%**. Staff turnover for this board was also higher than the national average at this time.^{xvi}

NHS Fife has a similar situation this year. For the 12 months ending February 2019, their absence rate was **5.39%**. Whilst this has decreased from the previous year, it is still above the standard rate of 4%.

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- ⁱ Health and Sport Committee: The Governance of the NHS in Scotland - ensuring delivery of the best healthcare for Scotland, page 42
- ⁱⁱ Scottish Parliament Information Centre, Committee Briefing, 12 March 2019
- ⁱⁱⁱ Health and Sport Committee, [Official Report, Tuesday 15 May 2018](#), Col 34
- ^{iv} Health and Sport Committee, [Official Report, Tuesday 12 March 2019](#) Col 4
- ^v Scottish Parliament Information Centre, Committee Briefing, 3 September 2019
- ^{vi} Health and Sport Committee, [Official Report, Tuesday 3 September](#) Col 2
- ^{vii} Health and Sport Committee, [Official Report, Tuesday 3 September](#) Col 3
- ^{viii} ^{viii} Scottish Parliament Information Centre, Committee Briefing 26 March 2019
- ^{ix} Health and Sport Committee, Report, '[Looking ahead to the Scottish Government - Health Budget 2020-21: When is Hospital bad for your health](#)', page 9
- ^x Health and Sport Committee, Report, '[Looking ahead to the Scottish Government - Health Budget 2020-21: When is Hospital bad for your health](#)', page 9
- ^{xi} Scottish Parliament Information Centre, Committee Briefing, 16 January 2018
- ^{xii} Scottish Parliament Information Centre, Committee Briefing, 12 March 2019
- ^{xiii} ISD Report [NHS Scotland Workforce: Latest statistics at 31 March 2018](#), page 25
- ^{xiv} Scottish Parliament Information Centre, Committee Briefing, 30 October 2018
- ^{xv} ISD Scotland (2019) [NHS Workforce Report](#) Table 5
- ^{xvi} Scottish Parliament Information Centre, Committee Briefing, 26 March 2019