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By Email.

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HEALTH AND SPORT COMMITTEE REPORT – “Looking ahead to the Scottish Government – Health Budget 2020-21: When is Hospital bad for your health?”

I would like to thank the Committee for the Report of 3 October 2019 and assure you that the recommendations and comments made have been fully considered as part of the planning work undertaken in advance of today’s publication of the 2020-21 Scottish Budget.

The annex to this letter sets out in detail the responses to the key points and recommendations in the Committee’s report.

I look forward to providing evidence to the Committee at the post budget evidence session and can use that opportunity to discuss further the points raised by the Committee.

JEANE FREEMAN



HEALTH BUDGET 2020-21

Committee Recommendation
<i>14. We recommend the Scottish Government works with IAs to deliver more timely release of information on agreed budgets.</i>
Response to Committee's Recommendations
<p>In addition to the publication of their annual audited accounts, each Integration Authority publishes its budget in an Annual Financial Statement, and during the year is required to report regularly on financial performance to the Integration Authority Board. An Annual Finance Report is included in the Annual Performance Report which is published within three months of the end of the financial year. Legislation requires sufficient information on the budget and financial performance of each Integration Authority to be in the public domain.</p> <p>The Scottish Government has worked with Integration Authority Chief Finance Officers to consolidate and make consistent information contained within Integration Authority in-year financial performance reports. The release of financial information from Integration Authorities varies in terms of timing, with most reporting as a minimum every two months. Working with the Chief Finance Officer Network, we now expect that consolidated quarterly reports will be published within ten weeks following the end of the quarter rather than the previous quarterly in arrears timescale. Continuing to provide this information quarterly will allow for the financial position of individual Integration Authorities, as well as the overall collective national picture, to be set out transparently. The next report is scheduled to be published online by 10 March 2020.</p>
Committee Recommendation
<i>Link between budget and outcomes</i>
<i>24. We expect this statutory duty to be met by all IAs and welcome an update from the Scottish Government as to when this will happen and how details of it will be reported. We would also welcome details of the support currently being provided by the Scottish Government in this area.</i>
Response to Committee's Recommendation
<p>The Scottish Government has established a framework for linking budgets and outcomes. The legislation sets out that Integration Authorities must publish:</p> <ul style="list-style-type: none"> ○ Annual audited accounts; ○ Their budgets for the year, as part of an Annual Financial Statement; ○ Financial performance reports during the course of the year; and ○ An Annual Finance Report, as part of the Annual Performance Report which is published within three months of the end of the financial year.

The legislation requires sufficient information on the budget and financial performance of each Integration Authority to be in the public domain. It should be noted that the processes for planning and reporting under integration – strategic commissioning plans that span three years, annual financial plans, and annual performance reports and financial statements – all provide important mechanisms to set out local expectations and experience of the relationship between spending, outputs and outcomes.

Committee Recommendations

49. *Some reductions in delayed discharge have been made by utilising intermediate care. However, we heard evidence that not all IJBs use this model of care and it has varying degrees of success across Scotland.*

50. *We ask the Scottish Government to advise if intermediate care is an appropriate approach to caring for vulnerable people and if so should it be implemented across the country. We also request the Scottish Government to advise what data on intermediate care is available and their intention to collect and publish this data.*

Response to Committee's Recommendations

The Scottish Government fully recognises intermediate care as an appropriate approach for caring for vulnerable people, as reflected in the Intermediate Care Framework (Maximising Recovery Promoting Independence) we issued in June 2012. A recent survey by Healthcare Improvement Scotland found that all partnerships had developed some form of intermediate care services. The evidence the Committee heard from West Lothian stated that the IJB did not have bed based intermediate care. Many partnerships have understandably taken the approach that people should be cared for in their own homes and have therefore built intermediate care services around them, rather than taking a bed based approach.

It is recognised that intermediate care is delivered in different ways across Scotland and we currently do not have a standard system for collecting data from these services. Officials will work with ISD to scope the work required to compile the data nationally.

Committee Recommendation

87. *A report highlighting progress of the MSG indicators will be considered in November 2019. We request that the Committee is kept informed.*

Response to Committee's Recommendation

An overview of the 2018-19 IJB Annual Performance Reports, and within this a progress update on the MSG indicators, was provided and discussed at the MSG meeting of 22 January 2020. MSG papers are all published and available on the Scottish Government site: <https://www.gov.scot/groups/ministerial-strategic-group-for-health-and-community-care/>

Committee Recommendation

88. *We acknowledge the steps taken to streamline the patient journey from hospital to the community with regards to intermediate care and the financial commitment from the Scottish Government for at least 50% of frontline NHS spending to take place in the Community Health Service by 2021. However, delayed discharge continues to be a key issue and progress remains inconsistent across Scotland. It is clear that the daily cost of intermediate care, home care or care homes are all significantly less*

than residing in hospital and further improvements would both be of benefit to patients and also deliver budget savings. We are also concerned for the physical and mental well-being of the patient if the risk of residing in hospital is greater than the risk of being discharged.

Response to Committee's Recommendation

The Scottish Government continues to encourage and support the development of community based services, including intermediate care, that aim to provide more care at home or in a homely setting. Research shows that a hospital environment is not the right setting for the assessment of long term care needs. Many partnerships are taking a Home First/Discharge to Assess approach where patients are discharged home, following an initial risk assessment. On-going assessment and support is then provided at home.

We are on track to deliver our commitment that more than 50% of frontline NHS spending will be spent on community health services by the end of this Parliament. Spend on community health services in 2018-19 made up 49.7% of total operating spend. The 2020-21 budget provides investment of over £800 million in social care and integration, a 14% increase over the previous year.

Committee Recommendation & Conclusion

89. We recommend 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 services.

145. In order to transfer care from the acute to community setting, an increased focus on the 'front door' of hospitals is required. There is a need to reduce unscheduled care and admissions and ensure the needs of patients are met and addressed in other, more appropriate areas of the NHS.

Response to Committee's Recommendation & Conclusion

It is clear there is a need to focus on the "front door" of hospitals in order to reduce avoidable admissions and associated unnecessary bed days. This will require a range of services to be available to help support people in their own homes with a focus on preventative and anticipatory care. The third sector and wider community have a key role to play here, which is why we have invested in community link workers.

We have also invested in a media campaign to initially run over the winter period which will roll out across the year, directing the public to more appropriate and timely healthcare professionals, who can better meet their needs - such as pharmacists, dentists and optometrists or minor injury services.

We are conducting a survey of the people who attend A&E to understand their behaviours before choosing to attend the department such as accessing NHS Inform or seeking an appointment with their GP. This will provide information on targeted initiatives to help reduce attendance.

Working with Healthcare Improvement Scotland, we have developed a set of guiding principles to implement Hospital at Home services to avoid admission to hospital for patients experiencing acute care needs. In addition, we are increasing focus on ambulatory care services and building a network to share best practice and pathways.

Committee Recommendation

90. We recommend a review of communication strategies around alternatives to GP referrals. GPs must have the confidence to offer alternative aspects of the health care system to the patient. Hospital is not always the best and most suitable option.

Response to Committee's Recommendation

The 2018 GP contract and investment is a significant enabler in strengthening primary care. A key part of its aims is to increase capacity in primary care by building multidisciplinary teams, allowing patients to be seen at the right time and by the right person, by professionals who are working at the top end of their profession. That will allow more services and care to be planned, designed and delivered closer to people's homes rather than in hospitals. As part of the new Contract, the Scottish Government, BMA, Health Boards and Health and Social Care Partnerships agreed a Memorandum of Understanding (MoU) to set up Health Board-delivered services. This will improve capacity in General Practice by increasing the opportunities for patients to access healthcare with the right clinicians at the right time. Patients now have more opportunities to be referred (or self-refer) to pharmacists and pharmacist technicians; musculoskeletal physiotherapists in first point of contact roles; and nursing staff working in community treatment and care centres. Patients can also receive care from clinicians working in and around the practice, including paramedics providing home visits and unscheduled care; link workers signposting to community and third sector support organisations; and mental health workers. This work is supported by an investment of an additional £250 million in direct support of general practice by 2021-22.

The Memorandum of Understanding also sets out principles by which these services will be delivered, including that they are sustainable and person-centred. Our expectation is that local collaborative partnerships of HSCPs, Health Boards, GPs and other clinicians will include plans for communicating any changes to patient services in their service redesign plans. We have also specifically requested that HSCPs include information about community engagement work in their Primary Care Improvement Plans. These are locally agreed and shared with the Scottish Government. As GP Clusters continue to mature across Scotland they have opportunities to consider local services in the round and make intelligence driven recommendations to local service planners to improve the effectiveness of patient services. The Scottish Government is working with Healthcare Improvement Scotland to support the Practice Administrative Staff Collaborative. Approximately eighty practices took part in Phase 1 and 187 are taking part in Phase 2. Their work so far has led to every Practice in Scotland being issued a Care Navigation Toolkit to help Practices refer patients to the most appropriate service.

Committee Recommendation

91. *We also recommend an increase in the provision of health education and awareness, particularly in relation to ensuring patients are fully informed of all options to obtain appropriate advice and care. This will reduce unnecessary calls to the GP, out of hours service and A&E. In turn, this will assist in alleviating costs and pressures on the acute service.*

Response to Committee's Recommendation

There is a range of activity underway across the health service to ensure patients are fully informed on appropriate care, and to help them understand when to see the right health care professional at the right time.

For primary care, the Scottish Government continues to work with the Royal College of General Practitioners (RCGP) and key stakeholders to agree an approach on public engagement on primary care reform, with a focus on helping patients to understand when to see the right person, at the right time, which is increasingly important as primary care multi-disciplinary teams continue to expand.

A qualitative research study has been commissioned externally. As part of this, engagement with primary care practitioners is already underway, and we know that there are many best practice examples of public engagement approaches on use of primary care services already undertaken, with many opportunities for shared learning.

The next part of the study – engagement with the public through focus groups - will take place in February this year. The findings from this work will inform recommendations on the most appropriate approach for taking forward public communications on primary care services.

Additionally, NHS24, via NHS Inform, has resources linked to the 'We'll Keep You Right' Campaign that highlight the range of services available to help people access the right care at the right time. These resources were supported by promotional activity in January, February and June 2019. Additional animation resources are currently in development to support the A&E redirection activity.

These resources have also been key in supporting a winter messaging campaign 'Think Before You Go', in collaboration with NHS Boards. The evaluation from this campaign will provide further insight into the issues and opportunities in regards to redirecting patients to the right health professionals.

The Scottish Government are also working with Healthcare Improvement Scotland (HIS) to support the roll out of the Practice Administrative Staff Collaborative (PASC). Part of this work is supporting practice staff to support patients to the most appropriate service, either internal or external to the practice. A care navigation toolkit has been developed by HIS based on the

outcomes of PASC phase 1 and shared with every GP Practice in Scotland in summer 2019. PASC phase 2 is now working with 15 partnerships covering 187 GP Practices to support the spread of care navigation.

Committee Recommendation

92. *Where there is more than one IJB using the same acute care service, it is essential they work together to reduce the number of unscheduled care admissions.*

Response to Committee's Recommendation

There is a statutory duty on Integration Authorities under the Public Bodies (Joint Working) (Scotland) Act 2014 to have regard for each other's arrangements under Strategic Commissioning and Planning. A strong approach relating to collaboration across partnership areas to reduce unscheduled care is essential. Advice is also provided in statutory guidance. Although each Integration Authority is responsible for preparing a Strategic Commission Plan for their own area, where resources or services are shared across boundaries, Integration Authorities must take account of this in their respective strategic plans. The guidance further states when planning hospital usage in a neighbouring area "close communication and co-operation will be needed".

Committee Recommendation

93. *Priority also needs to be given to housing adaptations - reviewing and speeding up ways in which the move from hospital to person-centred accommodation is provided. IJBs must improve arrangements at a local level in the planning and delivery of adaptations across the country. This needs work to be monitored and reported on and its delivery from the next calendar year onwards. We look forward to receiving an update on progress towards implementing the recommendations in the Adaptations Working Group report.*

Response to Committee's Recommendation

We want older and disabled people in Scotland to have choice, dignity and freedom to access suitable homes, built or adapted to enable them to participate as full and equal citizens. In our 2019 Programme for Government, we re-affirmed our commitment to plan together with stakeholders for how our homes and communities should look and feel in 2040 and the options and choices to get there. We face a number of demographic, fiscal and environmental challenges which mean that business as usual is not an option. In May 2019 we published our Housing to 2040 stakeholder engagement report:

<https://www.gov.scot/publications/housing-2040-report-stakeholder-engagement-2018/>

We will continue to build on this and are currently undertaking further consultation, which will close at the end of February 2020. Since the integration of health and social care, Integration Authorities have responsibility for the planning and delivery of adaptation services. To assist, we will issue updated practical guidance later this year which will set out how we expect partnerships to plan for, develop and deliver adaptation services to ensure a consistent person-centred approach across the country.

Since 2007 we have provided £148 million directly to housing associations to help provide adaptations and we continue to fund Care and Repair Scotland to help disabled home owners and private sector tenants organise adaptations. We have developed regulations under section 37 of the Equality Act 2010 that give disabled people the right to make necessary, reasonable adaptations to common areas of their property. The creation of this right will be a first within the UK.

Committee Recommendation

94. It is clear there is a responsibility on the chief officers to lead and fully engage with the local authority, health board, Scottish Government and wider community in order to move forward with the transition in the way services are delivered. A shift in public perception and expectation is required. All public bodies must work towards this outcome and it is imperative there is transparency, confidence and openness in the health care system.

Response to Committee's Recommendation

Chief Officers have an integral role in leading the pace and momentum of integration – their positions require them to work across the system, bringing partners together and leading this change to realise the ambitions agreed by their individual Integration Authorities.

The MSG's review of progress with integration included a proposal that statutory partners must ensure that Chief Officers are effectively supported and empowered to act on behalf of the IJB.

Self-evaluation material produced by Integration Authorities showed that good progress has been made on this but some local systems have more to do. These remain challenging and complex roles. As well as local supports, the Chief Officer Network meets regularly and provides national peer support. David Williams, in his seconded role as Director of Delivery of the Scottish Government Health and Social Care Integration, has been providing support directly to a small number of Chief Officers and provides ongoing support to all Chief Officers. The Scottish Government is also funding a Policy Officer to support the Chief Officer Network.

Committee Recommendation

112. Set Aside budgets continue to be problematic in many ways including initial identification and release of "savings". This is an unacceptable position four years after integration and we expect all issues to be resolved by the end of this financial year and clear identification of released sums reported quarterly.

Response to Committee's Recommendation

Whilst there is variation nationally, following the MSG review of progress with integration, the self-assessment work and related action plans indicated that significant progress has been made in 2019-20, quite apart from the fact that some partnerships had already implemented arrangements to fully delegate these budgets. In total **twelve** Integration Authorities report that budgets for large hospitals (either delegated or set aside) are already or will be fully in place by 31 March 2020.

Whilst some Integration Authorities will only be “partly established” by the end of the current financial year, it should be noted that progress has been made and a path to full implementation must be in place. Taking Grampian region as an example, the partners have formed an executive group, in addition to the North East Partnership Steering Group (NEPSG), to provide:

- An oversight of the transformation agendas of the 3 partnerships in the acute based services for which the IJBs have strategic planning responsibility for;
- Oversight of any proposals for the major redesign of any of the hosted services;
- Oversight will include the understanding of methodology used for service redesign as well as the process partners follow in terms of public and staff consultation and engagement on redesign proposals.

Strategic reviews are currently underway on Accident and Emergency, Palliative Care, Geriatric Medicine, Rehabilitation Medicine, General Medicine, Respiratory Medicine and Mental Health & Learning Disabilities. Progress has been made and the expectation is to have these arrangements fully concluded in 2020-21.

Although some Integration Authorities are yet to fully implement the set aside arrangements, progress in shifting the balance of care is being made. Furthermore, across Scotland there has been a 5.4% reduction in unplanned hospital bed days between 2016 and 2018.

Committee Recommendation

121. We would welcome confirmation from the Scottish Government as to whether brokerage provided in this financial year will require to be repaid.

Response to Committee’s Recommendation

The Scottish Government has made clear that we expect additional support provided in 2019-20 to be repaid as soon as possible once Boards return to recurring financial balance.

Committee Recommendation

141. Strong leadership is fundamental to the integration of health and social care in order to deliver transformational change in services. Whilst we have heard concrete examples of where integration is working, there are still too many areas where this is not happening. Four years into the integration process there is evidence that funding for integration authorities is still failing to ‘lose its identity’ and all become partnership funding as legislation intended. It is clear that improvements require to be made.

Response to Committee's Recommendation

Chief Finance Officers have a duty to achieve and to report on Best Value from the totality of Integration Authority resources and this can only be achieved if totality of funding becomes a single budget on an ongoing basis.

The MSG review of progress with integration contains a number of proposals for integrated finances and to ensure that the integrated arrangements support best value. In particular proposal 2. (vi) (IJBs must be empowered to use the totality of resources at their disposal to better meet the needs of their local populations) is intended to focus partners' attention on this issue.

Self-evaluation material shows that CFOs still have much to do to address this proposal and Scottish Government officials will work with Chief Finance Officers to make progress during 2020-21.

Committee Recommendation***Sharing good practice***

142. We are unclear why this is taking so long and given the preponderance of reports highlighting this issue, sceptical about the attention and urgency being diverted in this area.

Response to Committee's Recommendation

Integration Authorities are sharing good practice through the LIST analyst network for example, however the Committee is right to highlight that more needs to be done to encourage further sharing. The Committee gave the example of linking budgets to outcomes and observed that "IAs are taking an innovative approach and sharing good practice in order to meet their statutory duty in this area," and this is something we will continue to prioritise.

The information provided by Integration Authorities on the self-assessment and the related action plans it being used to understand where good progress is being made in specific areas and how this can be used by other Integration Authorities facing challenges others have already overcome. In addition to the Finance Leadership Event held in November 2018 that brought together partners from across Scotland, the Integration Authority Chief Officer and Chief Finance Officer networks, and similar NHS and Local Authority networks, continue to be an important forum for sharing good practice.

Committee Recommendation

143. Leadership is critical and we observe the six indicators which are the focus of regular monitoring of the MSG do not directly measure this. We recommend the Scottish Government identify a set of leadership indicators requiring boards to demonstrate their achievements and progress.

Response to Committee's Recommendation

We recognise the importance of developing and supporting leadership capacity and capability in health and social care. The MSG review of progress with integration contained a recommendation that "all leadership development will be focused on shared and collaborative practice". As part of the actions taken forward from this recommendation, an audit of all existing national leadership programmes has been completed, which concluded that there is extensive support available for leaders at all levels across health and social care.

Self-evaluations, undertaken by local systems in response to the MSG review report, show that leadership development is underway in a number of areas, often across a number of neighbouring Integration Authorities, and involving the Local Authority and NHS. For example, in the Grampian area, the King's Fund is providing support on collaborative leadership while local work in Moray is being taken forward through the Moray Alliance developing a whole systems approach to health and social care, and linking to the third sector and digital health and is supported through additional NHS investment.

Progress with Project LIFT continues and an audit of all existing national leadership programmes has been completed. In addition, a one day leadership event was held for Chief Executives of NHS Boards, Local Authorities and Chief Officers on 28 November 2019 focused on driving forward integration. It was agreed that a further event would be held in May 2020 involving this key group of public sector leaders.

Despite this progress, the Integration Leadership Group, which is chaired by the Director General for Health and Social Care and Chief Executive of NHS Scotland with the Chief Executive of COSLA, has agreed that there is more work to be done on this and plans to make connections, including in collaboration with the Scottish Leaders Forum.

Committee Conclusion

144. We heard Hospital is not a "place in which to languish or stay". Prolonged stay can have a detrimental effect on the health and well being of the patient, particularly the elderly. There is clear evidence hospital is for many not a cost effective or healthy setting.

Response to Committee's Conclusion

The Committee is quite right to highlight the detrimental effects of unnecessary bed rest in older people. Unnecessary time spent in hospital deconditions older people, which results in loss of their independence and confidence, and also negative physical effects.

To address this, we continue to support the development of a range of Intermediate Care services that can provide safe and appropriate care to people at home or in a homely setting, as an alternative to hospital admission, or to ensure timely discharge. Excellent examples of these types of services can be found in areas such as Aberdeenshire’s virtual community ward, Hospital at Home in Fife and Lanarkshire, and Dundee’s Enhanced Community Support.

Healthcare Improvement Scotland have published a new guide detailing the guiding principles of Hospital at Home to help Integration Authorities and their NHS partners develop these services.

Committee Conclusion

146. Leadership and financial management of the IJB budget remain paramount and require closer attention and monitoring.

Response to Committee’s Conclusion

Sound financial management is always a key contributor to effective decision making, ensuring that organisations plan to deliver services in a safe, effective and sustainable way. The Scottish Government will continue to work with partners across Health and Social Care to ensure improvements in budget management and monitoring, including the timely agreement of the budgets and a transparent monitoring process throughout the year.

Committee Conclusion

147. The level of engagement required with members of the public must become a key focus in order to truly transform services.

Response to Committee’s Conclusion

Meaningful and sustained engagement has a central role to play in ensuring that the planning and delivery of services is focussed on people’s needs. It is vital that the voices of service users, carers and the public are heard in shaping and developing health and social care services in Scotland.

The MSG review of progress with integration contains a proposal that “revised guidance be developed by the Scottish Government and COSLA on local community engagement and participation based on existing good practice, to apply across health and social care bodies”. A working group was established in March 2019, co-chaired by the Scottish Government and COSLA and involving key stakeholders. The development of this guidance is well underway, with discussions taking place with key stakeholders including third sector groups, community groups and all NHS Boards and Integration Authorities to identify what support is required to encourage meaningful engagement with the public, including the establishment of a network to promote the sharing of good practice.