

**Health and Sport Committee: Health Board Survey 2020****Budget Scrutiny: Health Boards**

1. Which Health Board are you responding on behalf of?

NHS Grampian

2. Please state your **revenue** budget as at the start of the financial year

£1,012,697,638

3. Please confirm any revisions to your **revenue** budget, indicating:

(a) Changes due to additional COVID-19 funding (split between health and social care)

(b) Changes for other reasons (please provide details)

	<b>Revenue budget £m</b>
Initial position (as agreed pre-Covid)	1012.7
Additional COVID-19 funding – health	0.0 (see note below)
Additional COVID-19 funding – social care	5.9
Other changes (please detail) – earmarked allocations for IVF & Child Health Weight	0.5
<b>Revised budget position</b>	<b>1019.1</b>

NHS Grampian has been reporting projected additional expenditure on dealing with the impact of Covid-19 to the Scottish Government in line with the arrangements set up by the Health and Social Care Directorate. We have welcomed the support from colleagues within the NHS Scotland Health and Social Care Directorate finance team during recent months and the opportunity to set out the costs that we are incurring in responding to the outbreak.

Total projected costs for Grampian are circa £60m (including costs incurred by the three Health & Social Care Partnerships). For NHS Board costs, we expect funding allocations to be made in September following review of the Board's Quarter 1 financial position by the Scottish Government. As part of our next re-mobilisation plan we will be setting out the further resource

implications for the next 9 months which will be in addition to the projected £60m included in the financial returns to date.

4. Please provide details of how additional COVID-19 funds have been used. Please include details of funding transferred to local government for integration authorities and additional health board contributions to integration authorities.

Two funding allocations have been made to NHS Grampian to date for passing onto local government to meet costs in social care. These are:-

- a) £4.982m to meet additional costs of social care providers in dealing with Covid 19 (e.g. PPE, staff sickness cover, loss of income).
- b) £0.915m to partly fund the increase in the Scottish Living Wage within Social Care.

5. As a result of the pandemic, please indicate:

- a. The main three areas of additional spending

1. Additional staffing costs – temporary staffing (Nursing students, Cleaners, Porters and additional staff hours)
2. Additional Bed Capacity – increase in ITU capacity and additional surge beds brought into service to deal with Covid patients.
3. Additional care home capacity and associated personal protection equipment – to support increased requirement for community care to increase capacity within main hospital sites in line with national guidance

- b. The main three areas of reduced spending

1. Theatre supply costs – due to the pausing of many areas of elective activity.
2. Locum and agency costs – due to many non-urgent activities being adapted or paused.
3. Travel Costs – due to implementation of Teams and meetings now being held virtually.

6. Of the areas identified in Q5, do you anticipate that any changes in service delivery will lead to longer-term changes in spending? Please provide brief details, including details of anticipated annual savings or additional costs associated with each change. (200 words max for each change)

In terms of increased costs, some of the changes resulting from Covid 19 are likely to be longer term in nature. Examples are increasing ITU capacity, more intensive cleaning arrangements and infection control requirements, investment in social care – both care homes and care at home, significantly increased use of PPE, extension of immunisation programmes and higher

levels of IT investment. Staff costs may also increase if there are higher levels of self-isolation over the winter period.

NHS Grampian is currently estimating the financial impact of these measures are part of our Remobilisation Plan due for submission to the Scottish Government on 31<sup>st</sup> July. It is likely that this will increase the requirements for additional funding in the period to 31 March 2021, and into the following financial year as many of the requirements for managing and living with COVID will continue for the foreseeable future.

In terms of reduced spending, there are likely to be long term savings in travel costs as less physical meetings are held and more services are provided on a digital or remote basis. Long term reductions in direct clinical costs are unlikely as services restart to tackle the backlogs of care which have built up whilst they have been paused as a result of Covid. There will also be the opportunity and challenge of increasing the level of resources that are invested in longer term programmes around self-management, prevention and reducing inequalities.

7. Which of your performance indicators have been most negatively impacted by the pandemic, and what is the projected effect on their trajectory for the coming year? Please list **three** indicators, showing their expected performance in 2020-21, compared with pre-Covid plans.

**Treatment Time Guarantee (patients waiting beyond 12 weeks)** – the number of patients waiting has increased since the start of the COVID-19 response period in mid-March. In recent weeks as we have steadily increased capacity the position has however stabilised with the overall waiting list size having increased only marginally since mid-March. Within Grampian we have a well established prioritisation system for elective care which ensures that we risk assess all patients waiting and direct available resources to those patients where treatment and outcomes is time critical. We are prepared our revised trajectories at this time and are not yet in a position to confirm our projected position for 31 March 2021.

**Outpatient (patients waiting beyond 12 weeks)** - the number of patients waiting has increased since the start of the COVID-19 response period in mid-March. In recent weeks as we have steadily increased capacity the position has stabilised with the overall waiting list size having not increased significantly since mid-March. This is due to fewer patients accessing primary and secondary care services in recent weeks and a corresponding reduction in the levels of referrals for new outpatient appointments. The use of Near Me has assisted in maintaining capacity to see and advise patients who have been referred for a consultation. We are prepared our revised trajectories at this time and are not yet in a position to confirm our projected position for 31 March 2021.

**Cancer (31 and 62 day standard)** – whilst cancer services have been maintained during COVID-19 the changes to screening programmes, reductions in referrals and patients concerned about visiting main hospital has led to change in the number and profile of patients that we would have anticipated being directed for assessment and diagnosis. Our current priority has been to reduce the backlog of patients currently waiting and to prepare our plans for the forthcoming period in anticipation of higher rates of referral, as other services remobilise.

8. When would you expect performance in these areas to recover and what action / spending will be required? (Please provide a brief description for each of the indicators listed at Q7.)

**Treatment Time Guarantee and Outpatients (over 12 weeks)** – we would not expect performance to recover significantly in the next 9 months and are preparing for a steady and gradual increase in capacity. Given the challenges facing the remobilisation of surgery, in particular, available capacity is likely to be significantly less than pre-COVID for the foreseeable future. We are considering all alternative options to increase capacity but these are likely to only produce modest increases in resource. The cost of recovery is likely to be significant and higher than previously estimated in our waiting times improvement plans.

**Cancer (31 and 62 day standard)** - we are anticipating that performance in relation to this standard will be impacted for the foreseeable future as there is likely to be patients with potential cancer diagnoses that would have been identified through screening programmes and other referral routes that are not yet reflected in our backlog. Cancer patients will continue to be prioritised but would expect that performance will be impacted for the immediate future. We are considering all alternative options to increase capacity and welcome the recent funding of additional MRI resources.