

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

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

NHS Borders

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

The Board has an initial revenue allocation of £219.4M as confirmed by Scottish Government. The Board set an overall revenue budget at April 2020 of £248.1M, inclusive of additional allocations anticipated within its financial plan, and described within its Annual Operational Plan. See comments in response to Q.3 for further information.

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)	£248.1M <sup>1</sup>
Additional COVID-19 funding – health	0 <sup>2</sup>
Additional COVID-19 funding – social care	£1.3M <sup>3</sup>
Other changes (please detail)	-
<b>Revised budget position</b>	<b>£249.4M</b>

Notes

1. The initial budget as described above is based on the Board's Financial Plan for 2020-21 as confirmed within its Annual Operational Plan. This plan was developed in advance of the Covid-19 pandemic and includes assumptions in relation to policy commitments which may be subject to change following Scottish Government Autumn and Spring budget

revisions. Examples of funding assumed include Access support (Waiting Times, Winter).

2. As at 31<sup>st</sup> July no additional allocations have been made to NHS Borders to address additional costs incurred in response to Covid-19. The Board's Local mobilisation plan has been approved in principle and a process of national and regional peer review has been established by SG finance colleagues based on local expenditure tracking; it is anticipated that initial allocation will be made as reimbursement of actual costs incurred following conclusion of the Board's Quarter One Review.
3. As at 31<sup>st</sup> July, two allocations have been received in relation to Social Care expenditure in response to Covid-19. These allocations are entirely within the scope of the Integrated Authority delegated functions and include £1.078M (share of £50m nationally) to support immediate challenges within social care, and a further £0.198M to support increase to the living wage within adult social care contracts.
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.

As described in response to 3, above:

No additional funds have been received in relation to Health expenditure in response to Covid-19 pandemic.

The full amount (£1.276M) received for Social Care expenditure related to Covid-19 pandemic has been allocated to the Scottish Borders Integrated Joint Board, which has directed that this funding be transferred in full to Scottish Borders Council for the purpose of addressing Social Care costs related to same.

5. As a result of the pandemic, please indicate:
  - a. The main three areas of additional spending
    1. Additional bed capacity – including expansion to ITU footprint and creation of Covid ward footprint. Costs c.£1.5m in period April to June 2020 (net of offsets). This position reflects up-scaling of capacity in initial response phase, however on-going costs now significantly reduced. Likely to increase should there be a requirement to re-mobilise in response to a potential 2<sup>nd</sup> wave.
    2. Infection control measures – increased infection control support, enhanced cleaning regime (including environmental deep cleans), local staff testing, etc. Costs c.£0.6m in period April to June 2020. These costs are expected to be on-going and may increase as a result of remobilisation of core services.

3. Additional staff cover – to support business resilience, including backfill of shielded staff and staff deployed to support covid-specific service response (e.g. community hub). Costs in excess of £1.2m in first 3 months (Apr-Jun). On-going requirements will be assessed as part of the board's recovery plan for period to end March 2021.

It is worth noting that the board has also incurred substantial costs in relation to IT and physical infrastructure to facilitate remote working and social distancing measures.

- b. The main three areas of reduced spending

No detailed work has been undertaken to identify reductions to expenditure which are directly attributable to actions arising from the pandemic response, however areas where there has been a reduction in expenditure in the first 3 months (Apr-Jun) include:

- Surgical supplies – e.g. elective orthopaedic implants
- Diagnostic supplies – e.g. endoscopy procedures
- Hospital and community prescribing (medicines)

These cost reductions reflect reduced activity in clinical services, predominantly in relation to planned (elective) care. Prescribing costs increased in March 2020 with an expectation that this would be offset by short term reduction in April/May as a result of prescriber practice (i.e. issue of advance prescriptions). It is not yet possible to fully assess any ongoing impact arising from anticipated changes in practice.

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)

At this stage it has not been possible to undertake a detailed assessment of the longer term financial impact of any changes in service delivery. Areas that we anticipate may require on-going investment over the next 12-18 months include:

- On-going public health initiatives
- Increased infection control measures
- Additional capacity to address areas of unmet need and/or adverse performance impact

The impact of new ways of working in response to Covid-19 may present future opportunities for increased efficiency moving forward however at this stage no cash-releasing benefits are expected to be released in the next 12-18 months.

The board's Quarter One review will include assessment of in year (2020-21) financial impact on existing financial plans. The longer term financial impact will be considered in the 2021-22 planning round.

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.

The three performance indicators which have been most negative impacted by the pandemic are as follows:

Indicator	Pre-Covid Baseline Feb-20	AOP Trajectory Jun-20	Actual Performance Jun-20
Number of Outpatients waiting in excess of 12 weeks for first appointment	230	100	2484
Number of Inpatients/Day Cases waiting in excess of 12 weeks for treatment	165	125	1073
Number of Patients waiting for Diagnostic tests in excess of 6 weeks for an appointment	175	125	321

An updated draft performance trajectory is being developed as part of the board's Recovery plan and will be subject to further discussion with Scottish Government colleagues prior to finalisation.

It is worth noting that delayed discharges remain an area of concern; although performance has not deteriorated, nor has there been any sustained progress towards delivering a reduction in this key measure. We continue to work with IJB colleagues to seek further improvement in this area.

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.)

Action plans for remobilisation of services are currently in development and the next iteration of the board's recovery plan will be submitted to Scottish Government on 31<sup>st</sup> July. Identification of actions to deliver performance improvement is expected to be work in progress at this point and it is highly likely that this will continue to be subject to on-going revision throughout the course of 2020-21. It is not possible to provide an accurate assessment of the resource requirements and timescales for delivery at this time.