



T: 0300 244 4000
E: scottish.ministers@gov.scot

Mr Lewis Macdonald MSP
Convener
Health and Sport Committee

8th February 2018

Dear Lewis,

Thank you for letter dated 18 January 2018. I have set out below some further detail and clarification in response to the questions and points raised in your letter.

I appreciate the importance of supplying the Committee with further financial information, and agree that it was useful to discuss this in greater detail at the meeting of the Committee on 9 January 2018.

Much of the financial information that has been requested relates to responsibilities delegated to Integration Authorities, and as I said at Committee, a consolidated report is now being developed which will mean that the position across all Integration Authorities will be regularly reported on a consistent and consolidated basis. This report is currently being developed by Integration Authorities and is due to be available from the end of March. Once this is complete it will be sent to the Committee.

Given the Committee's particular interest in mental health and spending by Alcohol and Drugs Partnerships, it should be noted that information in relation to spend in these areas will be included as part of this report sent to the Committee. The responsibilities in these areas, for adults and where relevant for children, now sit with Integration Authorities.

As the key Programme for Government commitments regarding shifting the balance of care are set out in the context of frontline NHS spending, a working group has been established to monitor progress and delivery of these commitments. This will allow more detailed reporting and quarterly forecasting to commence as part of Health Boards' regular financial reporting from the first quarter of 2018-19. Practical local approaches to these commitments are set out in Integration Authorities' individual strategic commissioning plans, financial statements and annual performance reports. The Ministerial Strategic Group for Health and Community Care receives regular updates on Integration Authorities' progress in this regard.

Mental health spending and commitment to increase workers

Between now and 2021-22, 800 additional mental health workers will be employed to improve access to dedicated mental health professionals across key settings including A&E, GP practices, police station custody suites and prisons. The Scottish Government's Draft Budget for 2018-19 includes an additional £12 million to be made available to support the first phase of this commitment. The phased approach will allow local and national service providers to coordinate service developments to provide effective models of care and efficient use of resources.

The level of additional funding to support this commitment will increase to £35 million by 2021-22. This approach will enable the workforce to be built up in a sustainable way which reflects the evolving needs of people across Scotland.

The commissioning and service delivery landscape for mental health continues to evolve as partners work at national, regional and local level to agree and deliver innovative and effective solutions. Therefore, our approach to delivering the commitment is through facilitating the national and local discussions needed, but not to direct the detailed planning.

We will monitor delivery of the commitment by working with our partners to identify and record the recruitment of the 'additional' workforce. This will allow scrutiny of the phased budgets allocations, the location of the additional workforce and the number of this additional workforce. The Minister for Mental Health will provide an update on progress to the Committee in April 2018.

Alcohol and Drugs Partnerships

The funding in 2017-18 of £53.8 million for drug and alcohol treatment services is provided to Alcohol and Drug Partnerships (ADPs) via Integration Authorities in their delegated budgets from NHS Boards. These resources are supplemented by additional contributions from others, including local authorities, primary care, criminal justice and others. As I have set out above, the Committee will receive, by the end of the financial year, further detail on spend in this area by Integration Authorities.

The additional £20 million that was announced as part of the Programme for Government is to support work to foster improvement and innovation in the way that services are developed and delivered as part of the new substance use strategy. The strategy is being developed and I will write to the Committee when we are making Boards aware of their individual allocations and any associated Ministerial expectations.

Financial framework

The financial framework, to be published in the spring, will underpin the strategic direction of travel set out in the Health and Social Care Delivery Plan. This framework will cover the next five years, with a key focus on shifting the balance of care towards community health services. My officials will engage with the Committee in its development.

Capital investment strategy

We will be establishing a National Infrastructure Board to be operational in 2018-19, providing strategic leadership and expertise in driving forward a National Strategy for infrastructure change. It will also provide national oversight on the continued safe and effective operation of the retained estate.

NPD and PFI projects

Health Facilities Scotland (HFS) manages a Specialist Support Team (SST) which provides expert advice to NHS Boards on Public Private Partnership contracts (PFI, PPP, NPD and hub). The SST has focussed on work such as the development of standard KPIs, lifecycle management and the development of guidance materials. Collaboration and peer support is also a key area of focus for the practitioners group in order to maximise the opportunities for the application of best practice and standardised ways of working.

The SST completed the work plan for Financial Year 2016-17 and identified £1.6 million in non-recurring financial benefits and £1.9 million of recurring financial benefits. These financial benefits have been delivered via the Boards' participation in the annual work plan and through their own contract management initiatives. Examples of benefits include over £0.3 million for NHS Lothian arising from changes to car park income arrangements and £0.15 million for NHS Forth Valley arising from contract management savings.

Sportscotland funding allocation

I can confirm that the Sportscotland budget is entirely a revenue allocation.

Agency spending

As I mentioned at the Committee session, there has been a reduction in agency spend. This was noted in the Audit Scotland *NHS in Scotland 2017* Report, which confirmed that spending decreased by 3% in real terms between 2015-16 and 2016-17.

The Scottish Government remains committed to reducing the reliance on agency staff, and has taken action to address this, with further development of the Staff Bank Network including establishing Regional Staff Banks. This means NHS Boards now have access to over 35,000 nurses and 2,900 doctors who are registered on the Staff Bank, providing better value for money than agency staff. Strengthened governance arrangements also mean that agency staff are only used as a very last resort. The majority of agency staff are sourced through our national framework contract, which limits those agencies on the contract to paying staff NHS rates of pay.

In terms of ongoing work in this area, a dedicated team based in NHS National Services Scotland is working directly with NHS Boards to help reduce spend and reliance on agency staff. Directed by a governance group that is chaired by the Chief Executive of NHS Education for Scotland, the group has identified, commissioned and implemented various workstreams which are focused on reducing spend and reliance on agency staff.

Conclusion

I trust the above is useful to the Committee and, as I confirmed when I gave evidence, further information will be provided on a regular basis to support you in your work.

Best wishes,
Shona.

SHONA ROBISON