

HEALTH AND SPORT COMMITTEE

PRE-BUDGET SCRUTINY 2020-21

SUBMISSION FROM EDINBURGH INTEGRATION JOINT BOARD

Introduction

This submission sets out information about the Edinburgh Integration Joint Board (EIJB) and specifically focusses on the budget setting process for 2019/20. The Chief Officer and Chief Finance Officer for the EIJB will attend the Committee session.

Leadership and Cross-cutting Budget Issues

The statutory partners in Edinburgh; the EIJB, NHS Lothian and City of Edinburgh Council have developed good joint working across the budget setting process and will be building on this over future years. This leadership is vital if we are collectively going to realise the opportunities that the integration of health presents and enable more ambitious approaches to sustaining good quality services and outcomes for people and communities.

The IJB has a key leadership role and over the course of this year's budget setting process IJB members have been fully engaged in budget discussions through a series of budget development sessions and formal IJB meetings. At an officer level, a finance leadership group across partners has been established and there is a recognition of the issues being collectively owned by the whole system and there being a need for shared solutions, learning and adaptation. There have been regular meetings of the partners over the course of the current budget setting process and these have been positive and helpful as we develop further our savings plans and work toward a balanced position in year.

Going in to 2019/20 the HSCP senior management and the IJB have agreed that attention must be focused across 3 linked approaches to do so;

- Grip and Control – ensuring robust management and scrutiny on the day to day operations of the organisation, driving efficiency, managing spend, being consistent and fair and maximising effectiveness;
- Service Redesign – delivering current services more efficiently, utilising alternative methods or approaches, delivering in fewer locations and streamlining; and
- Transformation – taking very different approaches to how we work- developing the 3 Conversation approach, implementing a 'Home First' model, utilising digital and technological solutions where safe and effective, maximising people's own independence, networks and assets to maintain and develop independence and wellbeing, prevention and early intervention to reduce crisis and new models and approaches to health and care practice

Our savings programme for 2019/20 identifies savings across each of these areas and recognises that we must see this as medium to long term approach to our future sustainability.

Capacity for Transformation

The IJB has also recognised that it must invest in its transformation and has allocated budget toward an ambitious change programme; demonstrating the awareness that change at the level we need to deliver it takes time and that there is no single solution or activity that will deliver a sustainable future. Given the pressures this demonstrates clear leadership and a desire to continue to improve performance.

Budget Setting Challenges

The Edinburgh IJB operated in an increasingly challenging financial and governance context and there are a broad range of challenges facing it in setting its budget each year. Some reflections on these challenges are set out below:

Availability of Funding

The most significant challenge relates to the funding available to IJBs to undertake their role and the level of savings and efficiencies needed, year on year in order to balance budgets. While some level of protection in relation to the handling of IJB budgets has been provided by the Scottish Government each year since the inception of integration, this has not, meant that IJBs receive all the funding they require to deliver the services delegated to them at current cost.

The Edinburgh IJB has a total budget of c£650m across its settlements from NHS Lothian and City of Edinburgh Council to deliver the service delegated to it. The Board has been operational since 2016 and in each of these years, savings have had to be found with targets totalling:

2016/17 - £21m

2018/19 - £22m

To date, the Edinburgh IJB has not fully achieved its savings targets, with year-end balance only being achieved through engagement with partner organisations – effectively NHSL and CEC have met the gap as required. While this is the statutory duty of our funding partners, this is neither a desirable nor sustainable position. It is also the case that there is pressure on both NHSL and CEC to make savings and, given the pressures across all partners' budgets, there has can no assumption nor expectation that the IJB's settlement can be increased and the savings target for the EIJB for this financial year, 2019/20 is £24m.

Savings & Efficiencies

The IJB and Health and Social Care Partnership (HSCP) must align their strategic planning and commissioning expectations and requirements to the available budget and this requires savings and efficiencies to be identified.

The IJB and HSCP are ambitious to deliver high quality, sustainable health and care services to the people in Edinburgh and that we work to improve health and wellbeing and reduce the

health inequalities prevalent in our city. Achieving this, against the backdrop of the financial pressures we face is very difficult challenging and requires the leadership of the IJB and our partners to deliver. The IJB has sought to ensure that its savings programmes are aligned to its transformation ambition and that we minimise as far as possible:

- Any negative impact on people's experience of health and care;
- Any negative impact on our current performance improvement or the pace of this; and
- Negative impact on our workforce.

Expectations

There is a growing expectation of delivery within IJBs in Scotland and additional requirements placed on organisations. This adds additional pressure on budgets especially where those requirements are not fully funded. Public expectation is raised and IJBs must balance currently committed funding toward new initiatives, placing greater strain on current budgets and services and impacting performance. Examples which have a current or expected impact include requirements under the Carers' Act, Safer Staffing legislation and Scottish Living Wage. While such new legislation is welcome in its support to people, its implementation, where not fully funded, requires IJBs to prioritise its funding placing budgets under further pressure and adding to savings targets. In addition, demographic changes and growth in population alongside an increase in population need for services places further demands on available budgets.

1 Year Focus

Budget setting is an annual process which is necessarily demanding of officers' and organisation's time – this is particularly the case in the context of health and social care integration with budget setting taking place across 3 organisations in parallel to reach an agreement on a final budget. It's well understood that NHS Board and Councils have different processes for this and that this impacts the IJB process. Edinburgh IJB and its partners have developed a budget setting protocol and this has guided discussions in this year and will be evaluated and adapted or improved for the following. However, while a protocol is helpful, the one year focus of budget setting effectively means that it's a continual process which can detract from the business of delivering both transformation plans and savings. A medium term financial strategy is being developed for the EIJB and it would welcome consideration being given nationally to all partners being enabled to set budgets over a longer time frame.

Reporting Against Outcomes

The EIJB reports against several requirements and is developing further its own performance framework and processes for reporting the outcomes of its decision making and strategic commissioning. We are developing a business planning and commissioning cycle that will support this and ensure that in setting Directions to our partners we are able to monitor and report on their impact.

A review of the EIJB's governance was undertaken in 2018 and the board agreed to implement its findings. This will include a new Performance and Delivery Committee being

set up and senior managers and colleagues are developing a revised performance framework in support of this.

Other aspects of reporting on objectives include:

- Ministerial Strategic Group reporting on the 6 key outcomes measures;
- Annual Performance Report
- Data Driven improvement in relation to our position with Delayed Discharges, waits for assessment, waits for care and length of stay
- Specific reporting in relation to Scottish Government requirements e.g in Primary Care, Drug and Alcohol and Mental Health

Increasingly we will learn from good practice in this area and benchmark to create a better link between strategic decision making and commissioning and the outcomes for people in Edinburgh.

Operation of the Set Aside Budget

This is a complex area of activity and one that requires all partners' willingness to think and act differently in the use of funding streams and budgets which have been in silos for many years. In Edinburgh, both the IJB and partnership officers from across the statutory services have undertaken a lot of work to discuss how to most effectively share the information on the set aside and its impact in Edinburgh and we are using that information to begin to plan and commission new approaches in support of the IJB's ambitions to deliver more care and support to people in their homes, communities or in a homely setting. Regular management information is provided and discussed between partners.

Whilst we'd recognise that we haven't completely resolved this complex area of planning, we do have good examples where we have planned and delivered services differently with funding from acute services being used to deliver more community based or community facing, services. Examples include:

- Services for people transferred from the Acute Mental Health Royal Edinburgh Hospital to deliver support to people in their own tenancy in the community;
- Closure of the Corstorphine Hospital and support to men and women with learning disabilities in the community in their own homes;
- Plans for the closure of the Liberton Hospital and for resources there to deliver community models of support, re-enablement and early intervention under a Home First model.