



*Produced by Clare Gallagher, Chief Executive-Independent Advocacy Perth & Kinross, Third Sector Member on the IJB for the Third Sector Health & Social Care Strategic Forum. Please note that this should not be taken as a minute of the meeting, but as an overview of the papers presented, decisions made, and a summary of specific points raised and responded to by the Third Sector Member following discussion with the Third Sector Forum.*

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**Item 2: Declaration of Interest** – Clare Gallagher declared a non-financial interest for agenda item 5.2, Appendix 1. The report was written by IAPK.

*For information – Clare Gallagher was advised prior to the meeting that as this was a supporting document and likely not to be discussed, there was no need for her to leave the meeting.*

### **Item 3.1: Annual Accounts 2017/18 (externally audited by KPMG):**

- Robust controls are in place, but there is increasing need for timeous information to make effective and informed decisions.
- IJB faces on-going financial pressures, with both partners forecasting overspends. The integration scheme may require partners to contribute further to the IJB. KPMG is satisfied that the IJB is financially sustainable in the short term.
- KPMG propose a recommendation in relation to the workforce plan (see Appendix 1 / KPMG Annual Audit Report / Value for Money / Recommendation Three / page 31) – states that a Workforce Plan is being developed and is due to be presented to the Board in September 2018.

#### **Point raised by The Forum:**

*In reference to the KPMG recommendation on workforce planning, Recommendation 3 states that to mitigate the uncertainty risk surrounding pay increases, the IJB included in its five year plan the assumption that pay increases for NHS staff will be similar to that agreed for council staff (in view of SG lift of the pay cap). With this in mind, the Third Sector has a concern going forward that if a significant pay gap appears between statutory and third*

sectors, it may result in an imbalanced shrinkage of our workforce along with the resulting impact that brings to services. The question from the TSSF was about what future opportunities there may be to participate in discussions around workforce planning?

**Response:**

*Rob Packham – said he would be very happy to involve third sector in the process, and has also started the conversation with the independent sector. There is a recognition that there will be a shift in balance of workforce in long term with moving towards early intervention/prevention, which will rely more heavily on the third sector workforce. There is a shortage of some forms of professional and medical staff which will also need to be addressed and there is a need to work within boundaries of workforce regulation, being clear about the types of work that can be done and by who. He anticipates that there will be an increase in third sector workforce in comparison to statutory.*

**Item 3.1 Notes taken during the meeting:**

- *Concern was expressed that the NHS still has not given assurances of budget setting officially in writing.*
- *It was agreed to video record the Audit Committee meetings*
- *It was noted that whilst there was explanation of the overspend by NHS Tayside, there has been no explanation of the underspend from PKC.*
- *Assurance was requested that there is a clear intention to run the partnership as one, not separate organisations, referencing a letter from the Cabinet Secretary and COSLA stating the need to speed up the process of integration. RP confirmed this intention, and that meetings are planned to discuss risk-sharing agreement for beyond 2018/19 with improved integration of budgets. It is recognized that the decision is not an IJB one, but for the individual Boards. There is an intention to bring the two finance teams together.*
- *New methods of recruitment are being introduced which will hopefully lead to better staffing and resulting savings on locum costs.*
- *Whilst there were predicted overspends in prescribing and mental health inpatient costs in June 2018, other services were expected to be on target. Slippage of these targets is indicating increased financial pressures.*
- *There is a significant portion of the budget with limited discretion from the IJB. These include G.P. prescribing, pharmacy. There was acknowledgement of the need for significant cultural change as a challenge. Primary Care transformation plans will be seeking to support this change. Possible scope for addressing part of the issue of G.P. prescribing is by looking at the Scottish Government Guidance on Prescribing.*

**Appendix 1 – Annual Audit Report from KPMG:**

- Financial Position - the statement shows a deficit of £1.4 million, however this is offset by a planned utilisation of reserves in year to meet planned expenditure. The IJB carried a £1.4 million reserve into 2017-2018 against planned expenditure. The integration scheme sets out that underspends can be retained by the IJB as reserves following agreement with the partners. Such agreement was not reached in relation to the 2017-2018 underspend. Instead PKC reduced the budget to deliver a breakeven position and will carry forward the underspend in an earmarked reserve for social care within the councils accounts. Therefore, the IJB is reporting no reserves. The partners informally agreed to fund overspends for which they have operational responsibility.
- An underlying overspend of £1.3 million was reported against health services where operational responsibility lies with NHS Tayside. In line with the risk sharing agreement, NHS Tayside devolved further non-recurring budget to the IJB to balance income with expenditure.
- NHS Tayside overspend is made up of variances in: G.P. prescribing (overspend of £1.7 million), inpatient mental health - primarily general adult psychiatry locum spend

(overspend £0.2 million), hospital and community health services - lower utilisation of primary care transformation funding and increased junior doctor vacancies (underspend £0.5 million).

- The IJB has commenced work setting a three-year budget with the aim of identifying cost pressures early in order to effectively plan where savings will be required in order to achieve sustainability.
- Senior management have significant concerns regarding the IJB's capacity to satisfy the full responsibility of the IJB. Specifically in respect of adult mental health services alongside the other services, and having the capacity to effectively direct the activities
- Financial sustainability - PKC identified savings requirements of £54.5 million from 2018-2019 to 2023-2024 to provide services to meet expected demand. £2.8 million of this in the first three years, with half of that again in 2018-2019. Initial results indicate an overspend in social care in 2018-2019. NHS Tayside received brokerage in 2017-2018, with on-going concerns about levels of expenditure and pace of change.
- Risk sharing - first two years of IJB determined that overspends were met by the partner with operational responsibility, from third year this is to be allocated based on proportionate contribution to the IJB. 2018-2019 there is an informal agreement to continue operational responsibility for overspend, but no formal documentation has been produced for this arrangement. KGMB note that this does not motivate collaborative working between the three parties
- Value for money - The Annual report highlights P&K is performing favourably compared to the Scottish average, and have largely improved against previous regional results.

#### **Appendix 2 - Annual Accounts 2017-2018:**

- Operations for the year 2017-2018 - implementation of a new care home contract was completed due to the continued demand of care at home. A review of the sustainability of the current service model is required
- Key priorities for 2018-2019 - plan to expand Technology Enabled Care in the year ahead.
- Inpatient mental health services planning will include a review of inpatient drug and alcohol service.

#### **Item 3.2: 2018-2019 Financial Position:**

- The anticipated shortfall of £4.1m for the current financial year has decreased in the forecast from the first four months to £3.2m. The key areas of overspend/underspend are:
  - Complex care pressures - increased demand for older peoples' services is an emerging pressure
  - GP prescribing - unresolved gaps and shortfall in savings delivery
  - Inpatient mental health services, including those hosted by Angus and Dundee of Out of Hours, palliative care and brain injury services - unresolved gaps and shortfall in savings delivery.
  - IJB's transformation and efficiency programme is forecast not to achieve the savings initially required. These are anticipated to be £4.24m rather than the £4.62m needed from:

Savings from transformation projects not being met in procurement and workforce, review of residential care, review of complex care packages, shifting the balance/carer support proposal, deferment of reviewed COSLA thresholds, high levels of sickness absence and incremental drift, delay in implementation of savings plan for OT.
  - Overspend on base budgets from an increased demand in numbers and care needs for LD and MH residential placements and community packages, higher demand in

older people and PD care at home and direct payments, no recurring budget for short term interim placements, OT and equipment loan service overspend due to increased demand and unmet slippage.

- Overspend is partially offset by funding decrease to a provider due to significant prior year surplus, delay in implementation of project for three high cost complex care packages, vacancies in care at home, PKC care homes income higher than forecast, savings from staff vacancies, uncommitted budgets and non-recurring income, non-operational status of Aberfeldy Community Hospital, medical trainee vacancies.

Hosted services overspend is anticipated in inpatient mental health services undeliverable savings from previous years and locum costs, Out of Hours services retrospective funding and partial implementation of recovery plans, palliative care and brain injury higher cost drugs and need for higher nursing staff levels.

#### **Item 4.1: Chief Officer Update:**

- A refresh of the P&K Strategic Commissioning Plan is due by end of March 2019, including a 4-week consultation period.
- A Business and Planning Manager has been appointed to oversee the strategic planning activities for each programme group.
- Perth and Kinross Health and Social Care Partnership has been notified of the Care Inspectorate and Health Improvement Scotland (HIS) intention to undertake a Joint Inspection of the Partnership in the early part of 2019. The self-assessment process is based upon four domains:
  - Leadership and direction that promotes partnership
  - Key Performance outcomes - Improvements in partnership performance in both healthcare and social care
  - Policy development and plans to support improvement in service - Operational and strategic planning arrangements. Commissioning arrangements. What is our capacity for improvement?
  - Judgement based on an evaluation of performance against the quality indicators
- Work streams have been established to aid the Mental Health Redesign process.
- IJB sought assurance that issues raised by boards and committees would be factored into the planning.
  - Changes in care delivery need to be considered alongside buildings:
  - Strengthened community services and develop range of local alternatives to in-patient care to reduce travel
  - Public transport arrangements are coherent
  - Management links to sequence planning provided
  - NHS Tayside are planning a wider range of acute medical and surgical centres in planned and emergency care.

#### **Item 4.1 Notes taken during the meeting:**

- *A joint working agreement will be in place by the end of the year, with some of the challenges being around people working together while still within the remit of their relevant employer.*
- *Forward plans for the programmes of care are being produced for the IJB, with a performance framework produced alongside these.*
- *Question was raised on the short time scale of a planned 4-week consultation for the refreshed P&K Strategic Plan. To be looked at.*
- *Comment was made that the timescales for moves within the mental health redesign are unrealistic in relation to the 28-day notice required for patients, carers and staff.*
- *A clarification was asked on a previous agreement to put a hold on patients move from Murray Royal to Carseview until wards have been refurbished. There are*

*enabling works still to be undertaken in preparation for the move. Assurance was given that people will not be moved into unprepared wards.*

### **Item 5.1: Primary Care Improvement Plan and General Medical Services**

#### **Contract:**

- Progress on implementation - community clinical mental health professionals – a high demand for service is being experienced across Scotland with limited opportunities to engage before crisis. The project seeks to support G.P.'s to assist patients earlier who are experiencing low-level anxiety, loneliness and other social related stresses which ultimately affect mental health adversely. Staff working in general practice aim to improve patient care through rapidly accessible, appropriate and timely mental health input at lower levels. The plan seeks to develop a model by contracting services or individuals able to assess and deliver services, which include signposting low-level mental wellbeing issues. Consideration may be given to counselling being joined to the model. The preferred model is still in the development phase.
- HSCP recently submitted proposals to the Scottish Government for a new distress service that will assist in bridging the gap in services which currently exists in out of hours, and to support general practice by providing access to mental health professionals.
- Work is continuing with stakeholders to better understand preferred service designs to ensure investment is made in areas most likely to provide the biggest impact

### **Item 6.2: Joint Strategy to support independent living and quality of life for adults with a physical disability and/or sensory impairment - Appendix 1:**

- There are plans to develop a local pathway around providing structured emotional support for those receiving a diagnosis of sight loss