

3 YEAR EXECUTIVE SUMMARY: PRESSURES

	<u>Expenditure Pressure & Impact Analysis</u>	Expenditure Pressures		
		2019/20 £000	2020/21 £000	2021/22 £000
1	Impact of 2018/19 Recurring Budget Settlement			
	For 2018/19, the recurring budget from Perth & Kinross Council to the IJB reduced from £48.9m to £47.0m, This was offset by inclusion of an equivalent non-recurring budget bringing the overall 2018/19 budget settlement to £49.2m. The net recurring impact of the 2018/19 recurring budget deduction applied by Perth & Kinross Council is a £1.5m pressure within the 2019/20 Financial Plan.	1,532 (PKC)	0	0
	In addition a recurring gap of £46k within the 2018/19 Financial Plan for Hospital and Community Services was covered by non-recurring resources and the net recurring impact of a £46k pressure within the 2019/20 Financial Plan.	46 (NHST)	0	0
2	2018/19 Savings not achievable - PKC Corporate Procurement Savings Initiatives			
	As part of the 2018/19 IJB Approved Transformation and Efficiency Plan, savings were anticipated from a number of efficiency initiatives being driven by Perth & Kinross Council across its services. Despite significant efforts a number of these will not deliver the target level of savings initially anticipated.	266	0	0
3	2018/18 Savings not achievable - COSLA Income Threshold			
	During the 2018/19 Budget Setting process and as part of ongoing discussion with PKHSCP, PKC confirmed an intention to implement revised income disregard thresholds for non-residential social care services charges as recommended by COSLA. This was anticipated to benefit the IJB which holds the income budget for these services. An increase in charging income was built into the approved IJB Financial Plan for 2018/19. During 2018/19, PKC deferred implementation of changes to charging thresholds. PKC agreed to underwrite the loss of income to the IJB in 2018/19 to offset the in-year impact. However, the full year impact will require to be managed within the 2019/20 budget setting process.	400	0	0

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4	Increase in Staff Pay Costs – Social Care Additional pay increase cost based on 3% pay increase to PKC employed staff for all three years to 2021/22, as per the PKC updated assumptions.	611	540	556
5	Increase in Staff Pay Costs – Hospital Community Health Additional pay increase costs based on a 3% pay increase to NHS employed staff for all three years to 2021/22.	680	743	766
6	Care Home Contract Rates The National Care Home Contract is negotiated via a tripartite arrangement between COSLA, the Scottish Government, and Care Providers and the negotiations are facilitated and led by Scotland Excel. At present there is no indication of the likely outcome of these negotiations. Last year final agreement was reached in February 2018. For 2018/19 the actual uplift was agreed at 3.39%. The estimated uplift for all three years has been assumed at 3.4% per year.	952	950	1,001
7	Living Wage Increase The Scottish Government considers the implementation of the living wage for employees over the age of 25 to be a significant indicator of an employer's commitment to fair working practices. For 2019/20 the rate has recently been announced as £9.00 per hour payable from 1 April 2019. This represents an increase of 2.86% compared to 2018/19. As part of the national commitment to fair working practices, all contracts for direct social care services require to be uplifted each year to take account of the agreed national increase to the living wage. This includes contracts with Care at Home providers (including sleepovers) and other direct social care service providers. During 2018/19, this was extended to include a number of specialist providers which increases the recurring expenditure pressure moving forward by £48k. This pressure includes the increase in the living wage rate to £9.00 per hour, the increase in employers' pension costs to 3%, and all associated oncosts as per the nationally negotiated cost of care calculator methodology.	795	653	678

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8	Free Personal Care Over 65 This is an assumed 3% inflationary increase for free personal care provided to self-funding clients in order to deliver the shared Scottish Government/COSLA commitments on free personal care. Payments are uprated annually and the 2018/19 fees are £174 for residential care, £253 for nursing care (over 65), and £79 for nursing care (under 65). This pressure has routinely been funded by specific Scottish Government funding in the annual financial settlement. Income has therefore been assumed to offset this pressure within the 3 year plan.	141	149	157
9	Free Personal Care Under 65 One of the Scottish Government's new policies to be implemented from 1 April 2019 is to provide free personal care to all people under 65 who are assessed as requiring it (this is often referred to as Frank's law). Guidance is awaited from the Scottish Government about how this new legislation will be implemented and what the cost of this new policy will be. This submission assumes that all of the associated financial pressure falling on Partnerships will be fully funded from additional, new income from the Scottish Government.	800	24	25
10	Carers Act – Additional Responsibilities One of the Scottish Government's recent new policies was the implementation of the Carers Act. This pressure reflects the anticipated additional costs of the continued roll out of this new legislation and the next steps in its implementation. This submission assumes that all of the associated financial pressure falling on Partnerships will be fully funded from additional, new income from the Scottish Government.	250	0	0
11	Older People Care Home Placements – Demand Pressure As part of the three-year budget setting work undertaken last year, detailed demand projections were carried out for 2019/20 and 2020/21. This forecast an increase in both years in the demand for nursing care (31 nursing placements), some of which would be offset to by a reduction in the demand for residential care (26 residential placements). This small net increase in demand and shift from residential care to nursing care will drive an increase in expenditure of £226k each year. This increase in demand for nursing home placements reflects the impact of an increasingly older and more complex population with multiple pathologies and the social, functional, cognitive, and physical features of frailty and extreme old age.	226	226	226

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12	Care at Home – Cost/Demand Pressure The service is experiencing considerable demands for additional care at home service packages, which has resulted in a significant forecast overspend in 2018/19. Since October 2017 the actual expenditure for care at home services has increased by 8%. The full year cost of this demand increase is £728k. An increased pressure to 2021/22 has been calculated based on the impact of demographic shift in line with the “National Records of Scotland 2016 based principle population projections”.	728	0	0
		222	203	213
13	OT Adaptation and Equipment – Demand Pressure The 2018/19 Year End Forecast sets an anticipated overspend on OT adaptations and equipment along with community nursing equipment. This is driven by increased uptake for adaptations within Social Care and for planned replacement of essential equipment (patient handling) with Hospital and Community Health. Whilst not predicted as part of the budget setting process for 2018/19, this increased demand is in line with our intentions to keep people at home for longer when clinically safe to do so (84% of older people in the community are sustained at home by use of aids and adaptations, hoists and pressure relieving equipment).	120 (PKC)	50 (PKC)	50 (PKC)
		87 (NHST)	40 (NHST)	40 (NHST)
14	Care at Home Rural Rates A very rural rate was approved in 2018/19 to support a rural area with extreme recruitment issues. This pressure relates to the full year impact of that agreement. The market and workforce position will be reviewed on an ongoing basis to ensure best value.	89	0	0
15	Community Alarm Control The telecare service in P&K including pendant alarms, smoke alarms, falls monitors, and flood detectors provides a vital lifeline for service users enabling them to live safely at home or in a homely setting, and provides reassurance and peace of mind for families and carers. This is also essential to the prevention of admission to hospital or care home environment. As at January 2018, 3,687 people in P&K were supported by the Telecare Service. Demand for services is growing as the population ages and technology advances. In 2017 there was significant effort put in by PKHSCP to increase levels of telecare awareness in the community and this, as well as an increasingly ageing local population, has contributed to this demand increase. Investment in	84	0	0

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	<p>the service has not kept pace with this positive growth. Work has recently been undertaken to have the service accredited by the Telecare Services Association (TSA) and this work has highlighted issues with current staffing levels within the call handling part of the service, including periods of lone working. In addition, the response times required for quality accreditation cannot currently be met. A number of out-of-hours services are due to be reviewed by PKC and the Partnership will collaborate in that process.</p> <p>In parallel, Perth & Kinross Council has been selected as one of three organisations across Scotland to participate in an analogue to digital telecare pilot which came with a small amount of funding to support test of change. All telecare providers will require to transfer to digital by 2025. There are likely to be increased opportunities to call handle for other telecare service providers moving forward, however meeting TSA standards is likely to be a pre-requisite. This pressure reflects the additional staffing invested to address both lone working and response time issues and allow PKHSCP to progress the opportunity for income generation through tendering for provision of call handling services to other partnerships across Scotland.</p>			
16	<p>Learning Disabilities Transitions Clients transferring from Education & Children Services</p> <p>Every year a predictable number of young people with a Learning Disability and/or Autism who have complex support requirements will transition from Education & Children's Services to Adult Social Work and Social Care. Despite early intervention the cost of many individuals' care packages is significant when they move to adult services. Life expectancy of people with a Learning Disability and/or Autism is also increasing as we continue to shift the balance of care from institutions to community-based support.</p> <p>The pressure is based on the information collated from the Transitions Team and has been offset by an estimated reduction for placements coming to an end in the Learning Disability service of £81,000 per annum. This pressure relates to both the part, and full year, costs of care packages for clients known to be moving into adult services over the coming three years.</p>	375	401	441
17	<p>Learning Disability & Mental Health - Increased Demand Social Care</p> <p>Over the past two years a significant, financial pressure has arisen for Learning Disability and Mental Health care packages. This has been caused by a number of factors</p> <ul style="list-style-type: none"> • Increased costs of care packages for existing clients • New clients requiring large packages of care. • Previously approved recurring budget savings of £560,000 • Reduction in funding for some care packages due to changes in the Independent Living Fund (ILF). 	1,679	750	750

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	<ul style="list-style-type: none"> Non-implementation of new guidance for complex care across Tayside. <p>Currently there is no accurate methodology that predicts or anticipates social care needs therefore costs can unexpectedly increase significantly depending on individual clients' support requirements.</p> <p>It is difficult to determine whether the 2018/19 activity increase is an indicator of a longer term trend or a statistical anomaly. There are a number of unusual individual situations that have contributed to the 2019/20 pressure. However, it is likely the above may represent an increasing trend but possibly not as great as the 2018/19 and 2019/20 figures suggest.</p> <p>A working group has been established to develop a financially sustainable model for supporting people with complex care requirements so additional new pressures are anticipated to reduce in future years.</p>			
18	Learning Disability & Mental Health - Increased Demand NHS <p>The budget for complex care packages for which there has been an assessed health need requiring an NHS contribution to care has not been devolved to Perth & Kinross IJB. There are currently 11 care packages approved before 1st April 2016 for which NHS Tayside is currently meeting the invoiced monthly costs (£602k). Since 1st April 2016, a further 11 care packages have been assessed as requiring an NHS contribution at a cost of £475k.</p>	475	0	0
19	Learning Disabilities External Social Care Day Opportunities <p>In the current financial year, externally purchased day opportunity services are projected to overspend due to an increase in demand and increasing frailty of individuals accessing these services. This pressure reflects the currently projected level of overspend. The pressure equates to 10% of the budget.</p>	70	0	0
20	Health and Safety Regulations – Community Hospital Beds <p>NHS Tayside is responsible to ensure Evacuation Procedures work independently of the emergency services. Following practical walkthrough evacuation exercises and subsequent staff discussion about the numbers, vulnerabilities and associated evacuation issues for frail older people in hospital, the NHS Tayside Fire Safety Adviser and Fire Risk Assessor has made a recent recommendation to ensure that fire safety is not compromised in community hospitals by ensuring the availability of sufficient night duty staff to support safe evacuation.</p>	82	0	0

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21	Psychiatry of Old Age A proposal to fund an additional consultant post within POA was agreed following evidence of changing workload. This was agreed in 2017/18 as part of a review of current services to further support a move to community-based services over the next two years building on the success of previous changes in service.	40	0	0
22	Enhanced Community Support This essential development is linked to savings proposals that will further shift the balance of care, delivering more care in the home. Investment is required to deliver responsive and sustainable community care as part of a three-year financial plan to support the strategic intentions of the Partnership. It is linked to the proposals for review of community hospitals beds and redesign of acute hospital services (Large Hospital Set Aside.) The 2018 GP General Medical Services contract places GPs as senior clinical leaders with increasing responsibility to deliver complex care and Enhanced Community Support (ECS) in the community as part of wider primary care multi-disciplinary teams. ECS delivers two strategic aims: <ul style="list-style-type: none"> Supporting people in their own homes for as long as possible, maintaining their independence and reducing avoidable admission to hospital or residential care. Reducing the time spent in hospital and supporting timely discharge to minimise the risks to independent living ECS will: <ul style="list-style-type: none"> Deliver more responsive anticipatory care Identify people at risk of rapid deterioration to avoid unnecessary admission to hospital or residential care. Co-ordinate care delivery at GP practice level across statutory, independent and Third Sector organisations 	91 (PKC)	91 (PKC)	0

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	<ul style="list-style-type: none"> Improve outcomes and experience of care for people through better team working Further shift the balance of care from hospital to community delivering care in the right place at the right time <p>ECS is aligned to clusters of General Practices and delivered by Integrated Care Teams. Teams include Social Workers, Reviewing Officers, District Nurses, Mental Health Teams, Allied Health Professions, GPs, Rehabilitation and Reablement workers and Social Prescribers. ECS will target Potentially Preventable Admissions (PPA) from each GP practice. (993 PPAs in 2017/18 for people over 65) It will also prevent avoidable admissions and support earlier discharge by linking with the hospital admission and discharge teams. Currently, 2% of the P&K population account for 50% of health and care expenditure. Locality based integrated care teams will work closely with this population to reduce their risk of recurrent admission and through designing more effective and efficient methods of delivering care.</p> <p>Enhanced workforce required: Social Work: 5 x social work assistants TAS 6 Health: 6 x Health care assistants Band 3, 7 x Rehab assistants Band 4, 4 x Physio Band 5, 4 x OT Band 5, 2 x RGN Band 5.</p>	350 (NHST)	350 (NHST)	0
23	Rehabilitation/Intermediate Care Beds Investment in Rehabilitation/Intermediate Care beds will deliver the following strategic aim <ul style="list-style-type: none"> Timely Discharge from hospital <p>The proposal is part of a strategic review of Community Hospital and Rehabilitation beds across P&K.</p> <p>P&K Older People and Unscheduled Care (OPUSC) Board initiated a mapping and benchmarking review of the number and location of rehabilitation beds in P&K. This review is to ensure equitable access to the right care at the right time in the right place dependant on the needs of the individual. The review clearly shows a geographical imbalance across the localities in relation to bed availability per 1,000 65+ age group population. The Health and Social Care Partnership will explore a range of options to provide additional capacity. Traditional models of care are increasingly difficult to sustain. However the options being explored will include an increase in rehabilitation beds and/or, intermediate care beds/services.</p>	165	165	0

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24	Respiratory Community Model Respiratory infection and exacerbations of chronic obstructive pulmonary disease (COPD) are the most common reasons for admission to Perth Royal Infirmary (PRI). Respiratory disease attracts high costs through avoidable hospital admissions. Supporting people in the home environment is evidenced as safe and effective and should be used as an effective alternative to hospital admission. Investment in community respiratory teams will allow people with respiratory conditions to be better supported at home with improved quality of life. Community-based respiratory teams have demonstrated evidence of greater efficiency in prescribing with reduced spend on medicines, fewer hospital admissions and crisis-led attendance at A&E.	91	91	0
25	Digital Health and Technology Enabled Care Investment (TEC) There is a significant potential for investment in Digital Health and Technology Enabled Care (TEC) across Perth and Kinross. TEC will maintain people's independence for longer and reduce attendance at clinics. It will increase patient safety and improve quality of life for people and their carers. Digital Health and TEC can provide early indication of changes in health. It can improve efficiency and access to services, particularly in more remote areas of P&K. The P&K Community Alarm server was recently upgraded to a state of the art digital server, enabling the latest telecare devices to be made available to people in Perth and Kinross. There is potential to host similar services for other H&SC partnerships which brings the opportunity for income generation through call handling. Though there has been good progress in implementing TEC, there is considerable future potential for home health monitoring, teleconferencing and modernisation of complex care delivery. This potential is such that it requires specific focus to embed TEC across the major care pathways. This proposal will fund a Development Officer to realise the full potential of TEC. The post will provide expert leadership to maximise opportunities to improve care quality and generate income. The post holder will work closely with clinicians, clients and carers to implement existing technology and retain focus on the potential of future technologies that will deliver real benefits throughout Perth and Kinross.	25 (PKC)	0	0
		25 (NHST)		
	TOTAL PRESSURES	11,497	5,426	4,903