



Aberdeen City Health & Social Care Partnership
A caring partnership



ABERDEEN CITY IJB

MEDIUM TERM FINANCIAL FRAMEWORK

2022/23 – 2028/29



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Executive Summary

The seven-year financial framework sets out the forecast income and expenditure for the Integration Joint Board (IJB). Whilst the funding levels contained in this budget have only been set for one year (2022/23) we have based future projections on historic trends and planning assumptions on advice from our key partners.

An overview of seven-year financial framework is set out below:

| Summary | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 |
|--------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Budget Pressures | 27,809 | 12,993 | 13,338 | 13,693 | 14,059 | 14,435 | 14,824 |
| Funding Estimates | (26,634) | (8,145) | (8,145) | (8,145) | (8,145) | (8,145) | (8,145) |
| | 1,175 | 4,848 | 5,193 | 5,548 | 5,914 | 6,290 | 6,679 |
| Programme for Transformation: | | | | | | | |
| Aim – Caring Together: | 0 | (2,584) | (2,736) | (3,243) | (3,405) | (3,571) | (3,743) |
| Aim – Improving Quality of Life: | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Aim - Safe at Home: | 0 | (350) | (350) | 0 | 0 | 0 | 0 |
| Aim – Preventing ill health: | (350) | (750) | (750) | (750) | (750) | (750) | (750) |
| Enabler – Infrastructure: | (825) | 0 | 0 | 0 | 0 | 0 | 0 |
| Future Service Redesign | 0 | (1,164) | (1,357) | (1,555) | (1,759) | (1,969) | (2,186) |
| Shortfall | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

Based on the projected income and expenditure figures the IJB will require to achieve savings between £1.2m and £6.7m over the next seven financial years. The aim of this strategic financial plan is to set out how the IJB would take action to address this financial challenge across the key areas noted overleaf:



Our MTFF Linked to our Draft Strategic Plan

Aim – Caring Together:

Our objectives under this aim are designed to make services more accessible and coordinated, making it easier and simpler for patients and clients and reducing the number of touchpoints and duplication. This streamlining is not focused on cashable savings but on releasing capacity to reduce current and future unmet need. Also under this aim, we are looking to strengthen our links with our communities, involving them in the design and delivery of services and maximising the use of community assets to enhance the holistic support of improving health and wellbeing reducing the demand for funded service provision.

Aim – Safe at Home

Our objectives under this aim focus on maximising the availability of safe and appropriate community health and social care services to enable people to continue to live safely in their own homes or a homely setting. The aim of this work is to reduce demand for unscheduled care and the level of delayed discharges and improve outcomes. This will include work to allow people with complex needs to be cared for without the need to look out of area. It will also include influencing work to ensure that the use of digital innovations is maximised and that the future built environment is fit for purpose and fits with the changing needs of our population. There is a recognition that this may increase the demands on the IJB budget.

Aim - Improving Quality of Life

Our objectives under this aim are to reduce the impact of inequality on health and wellbeing particularly in relation to mental health, and drug and alcohol use. Not only will this improve outcomes for those currently experiencing negative impacts, but it will also reduce any future burden of community health and social care services. Under this aim we are also seeking to increase the support available for unpaid carers and to remobilise services focusing on recovery from Covid and addressing the health debt. Additional funding is available to help support the work around mental health and unpaid carers.

Aim – Preventing ill health:

Digital and technology has the ability to increase efficiency and improve outcomes for people in our communities in a sustainable manner.

Prevention focuses on promoting healthy independent living and working with communities to build resilience and the ability to self-manage. The workstream will include the development and delivery of our locality plans.



1. Introduction

The Aberdeen City Health and Social Care Partnership (ACHSCP) has now been operating for almost six years. During this time significant progress has been made in terms of integrating the services delegated from its partners Aberdeen City Council (ACC) and NHS Grampian (NHSG).

The Aberdeen City Integration Joint Board (IJB) is the governing body of the ACHSCP and agrees an annual budget following the delegation of funding from its partners each financial year.

This Medium-Term Financial Framework (MTFF) aims to pull together in one place all the known factors affecting the financial position and sustainability of the organisation over the medium term. For the purposes of this financial strategy the medium term is defined as seven years, given the current uncertainty in public sector funding levels due to the financial impact of the COVID response.

There are four new risks which may impact on the IJB's budget over the next few financial years. The first is whether some of the changes in cost profile and services as a result of COVID are recurring, the second being what impact any national care service will have on the IJB and its finances, the third is the impact of the health debt caused by COVID on our services and the fourth is the removal of additional funding for COVID which service providers and services have become increasingly reliant on. More certainty on these risks will start to materialise early in the new financial year.

This MTFF will establish the estimated level of resources required by the ACHSCP to operate its services over the next seven financial years and also estimate the level of demand pressures likely to be experienced by these services. It takes cognisance of the IJB's Draft Strategic Plan and will be updated if necessary, once the IJB Strategic Plan is finalised. The MTFF also takes cognisance of the Aberdeen City Health & Social Care Integration Scheme as well as any other strategies agreed by the IJB since it became operational.

The MTFF will assist in delivering its strategic intent, further improve strategic financial planning and maximise the use of resources across the medium term.



2. Key Principles

The IJB has established some key principles which it has been working to in relation to its financial planning:

- 1) The use of its resources must be aligned and help in the delivery of the priorities contained in the strategic plan.
- 2) Spending should be contained within the original budgets set during the budget-setting process; where this is not possible recovery plans will be required to cover any overspends to protect the partners' budget positions.
- 3) The transformation programme and activities approved by the IJB will seek to either manage increasing demand or generate financial savings.
- 4) Given the type of services provided and the reliance placed on these by service users the IJB may agree to fund 'double running costs' whilst the proof of concept and benefits are established of the transformation projects, providing this can be accommodated within current budgets.
- 5) There is a clear preference towards the delivery of recurring savings and that budgets should be balanced on a recurring basis; the use of one-off savings only being used where part of the overall MTF.
- 6) A strong preference for working in partnership with ACC, NHSG, the third sector and the other two Grampian IJBs to deliver the best and most efficient services possible within the financial allocations delegated.
- 7) A strong desire to engage and co-produce with communities to transform how care and support is delivered, ensuring lived experience is central in decision making

Information on the services provided by ACHSCP is shown in further detail in Appendix 1.



3. Context (National and Local)

Legislation Context

The Board's role and function is set out in the underpinning legislation – the *Public Bodies (Joint Working) (Scotland) Act 2014*. The purpose of the integration policy can be summarised as being necessary to reshape our whole health and care system in Scotland to enable us collectively to sustain good quality services at a time of unprecedented change and challenge – budgets are reducing, our population is ageing, and we are contending with a reducing working age population and a reducing workforce supply – more than in any other time in recent memory. The system must change and adapt to the new pressures it faces and health and social care integration is seen as a key mechanism toward that.

IJBs were set up in order to change the patterns of behaviour, planning and delivery across health and social care and, in large part, to achieve change through an approach which challenges the status quo; deliberately setting strategy, planning and then, utilising delegated budgets, directing and commissioning the NHS and local authority partner organisations to deliver more joined-up, community-based models and in doing so, utilising resources 'locked' in traditional silos.

Scottish Government Context

The current Scottish Government has been clear that the integration of health and social care is one of its priorities. It has stated its intention to shift the balance of care from large hospitals into community settings.

The Scottish Government has also indicated that one of its priorities is the adoption of the Scottish Living Wage across the care sector. In this regard, additional funding has been allocated to the IJBs in each of the last five financial years to fund this policy commitment. This financial year the level of uplift proposed if for adult social care staff to receive a minimum of £10.50 per hour and additional funding has been received to meet this obligation.

The General Practitioners (GP) Contract is negotiated between the British Medical Association (BMA) and the Scottish Government and was agreed for implementation from 1 April 2018.



One of the Scottish Government's policy commitments is the introduction of a national care service. To date a consultation exercise has been undertaken seeking views on the national care service and the results of the consultation have been published. The creation of a national care service will have implications on the IJB and Adult Social Care Services, however, at this stage the impacts are unknown.

National Demand Context (before COVID)

The demand for services is increasing as is evidenced by the following statistics:

- 1 in 4 adults has a long-term illness or disability;
- around 2 million people in Scotland have at least one long-term condition;
- people in Scotland are living longer, but more of those people over the age of 75 are living with a long-term condition and/or significant frailty; and
- overall, the population of people over the age of 75 is expected to increase by 63% over the next 20 years.

The Scottish Government estimates that the need for health and care services will rise by between 18% and 29% between 2010 and 2030. Coupled with a shrinking working age population and the known workforce supply challenges, it is clear that the current model of health and care cannot be sustained and that it must change.

Audit Scotland undertook an early review into the changes being brought about through the integration of health and social care in its paper of March 2016. The report, *Changing Models of Health and Social Care*, set out the challenge of increasing demand for services and growth over the next 15 years in Scotland. Among the pressures identified in this were:

- 12% increase expected in GP consultations.
- 33% increase in the number of people needing homecare and a 31% increase in those requiring 'intensive' homecare;
- 35% increase in demand for long-stay care home places; and
- 28% increase in acute emergency bed days and a 16% increase in acute emergency admissions.

The Audit Scotland report went on to say that on the basis of these estimated increases in demand, there would need to be an increased annual investment of between £422 and £625 million in health and social care services in order to keep pace.



The independent report on Adult Social Care by Derek Feeley indicates that if the recommendations of the review were implemented, then spend on social care would need to increase by £0.66 billion per annum.

COVID has significantly altered and transformed parts of the Health and Social Care system and the statistics above will need to be reviewed to determine whether they are still valid, however, they are not anticipated to have reduced.

Local Context

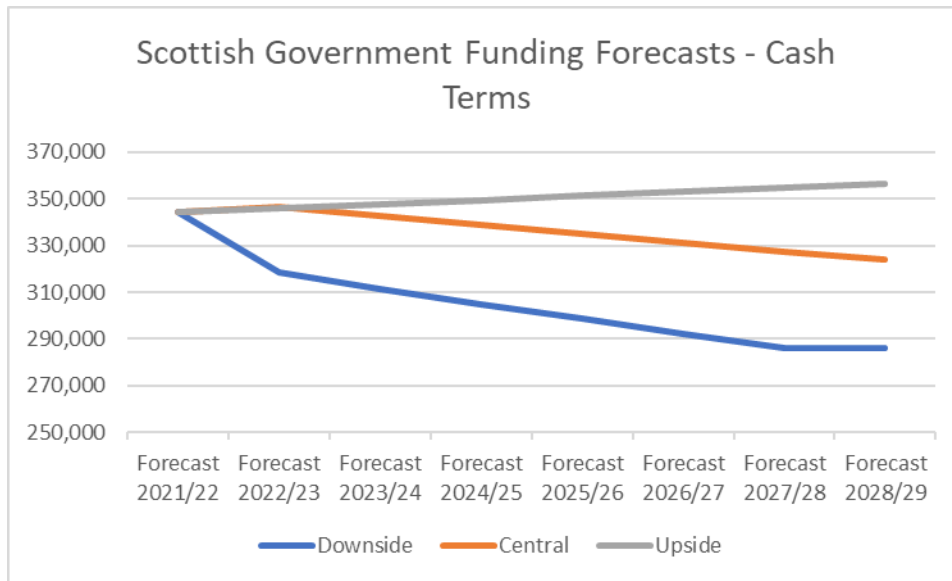
As with all public sector bodies our partners from whom the majority of our funds are received are facing financial challenges as a result of this period of financial constraint, with demand for budget outstripping the resources available and savings having to be identified annually to balance budgets. Both ACC and NHSG will require to make savings in future years to balance their revenue budgets.

The amount of funding available to both organisations is largely driven by the level of funding received from the Scottish Government through the grant settlement process.

In relation to Aberdeen City Council, their Medium-Term Financial Strategy (MTFS) sets out assumptions regarding the ongoing short-term implications of Covid-19 in terms of financial year 2021/22 and then goes on to make some informed assumptions for financial years 2022/23 – 2026/27.

It is recognised that much of the Council's income is outside of its control, the assumptions that underpin their MTFS cannot, by definition, be exact, they are subject to refinement and change over time. Therefore, a series of scenarios should be used to describe a range of income possibilities. This current draft MTFS utilises three scenarios similarly used by the Office for Budget Responsibility. These scenarios will be refreshed regularly as part of the budget setting and strategic planning processes.

Illustrated within the MTFS is projected financial scenarios depending on the level of Scottish Government funding. What can be seen is that, notwithstanding the final budget allocations are still awaited, the graph below shows a broadly accurate picture for 2021/22 and shows the need for longer term financial planning beyond the annual budget setting process.



The IJB will be required to contribute to these financial gaps, as a key partner of ACC in cross-system working.

In Aberdeen City the majority of Adult Social Care Services are commissioned externally, either through third/independent sector providers or from Bon Accord Care, an Arm’s Length External Organisation (ALEO) of ACC. Aberdeen City has one of highest average property prices in Scotland. This can impact on the commissioned services by making the costs of financing their assets more expensive than elsewhere in Scotland and by making it difficult for these organisations to recruit and sustain staffing levels due the high cost of living in the city.

ACHSCP also has difficulty recruiting to some professions with long-term vacancies particularly in community nursing, mental health, and GPs. Within the city many practices have unfilled GP vacancies.

The level of demand for services is expected to increase year on year and when living with COVID the demand may end up in settings where it wasn’t before, particularly care in the community and homely settings.

4. Planning Assumptions

Reserve Position

The IJB is subject to the audit and accounts regulations and legislation of a body under Section 106 of the Local Government (Scotland) Act 1973 and is classified as a local government body for accounting purposes by the Office for National Statistics (ONS).



The IJB is able to hold reserves which should be accounted for in the financial accounts of the Board.

Reserves are generally held to do three things:

- create a working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing;
- create a contingency to cushion the impact of unexpected events or emergencies – this also forms part of general reserves; and
- create a means of building up funds, often referred to as earmarked reserves, to meet known or predicted liabilities.

The Chief Finance Officer has previously considered that a risk fund of £2.5 million should be maintained roughly equivalent to 1% of the budget less the set-aside funding. In 2021/22 the risk fund was replenished to £2.5 million to provide a cushion to protect the partners from any adverse financial movements during the financial year.

The level of reserves held at the beginning of the financial year increased due to additional funding being received late in the financial year and an underspend on mainstream services due to recruitment difficulties. The IJB was also passed through any monies owed by the Government but unspent in relation to the Primary Care Improvement Fund, Alcohol and Drugs and Action 15. A significant element of the funds in reserves are ring fenced for these purposes and can't be used for anything else.

In addition a COVID earmarked reserve was created, along with reinstatement of a balance in an integration and change reserve to support the redesign of services once the impact of COVID on services has reduced.



5. Projected expenditure and new resources

This reflects the known commitments and income likely to be received in 2022/23. Each year cost pressures will arise during the financial year as service delivery moves to cope with demand. The main cost pressures which the IJB will face over the next five financial years are as follows:

| | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 |
|-------------------------------------------------------|---------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Budget Pressures | | | | | | | |
| Pay Inflation | 2,212 | 2,532 | 2,608 | 2,686 | 2,767 | 2,850 | 2,936 |
| National Insurance | 1,111 | 33 | 34 | 35 | 36 | 37 | 38 |
| Transitioning Children - Learning Disabilities | 650 | 670 | 690 | 711 | 732 | 754 | 777 |
| Prescribing | 1,766 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 |
| Demographics 2% uplift | 0 | 1,593 | 1,641 | 1,690 | 1,741 | 1,793 | 1,847 |
| | 5,739 | 6,328 | 6,473 | 6,622 | 6,776 | 6,934 | 7,098 |
| Previously funded from Local Mobilisation Plan | | | | | | | |
| Care at home | 2,200 | 66 | 68 | 70 | 72 | 74 | 76 |
| Lost income | 1,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 3,200 | 66 | 68 | 70 | 72 | 74 | 76 |
| Funded from recurring element of Winter Monies | | | | | | | |
| £10.02 per hour Adult Social Care | 5,166 | 0 | 0 | 0 | 0 | 0 | 0 |
| Care at home (BAC) | 850 | 26 | 27 | 28 | 29 | 30 | 31 |
| Multi Disciplinary Teams | 1,508 | 45 | 46 | 47 | 48 | 49 | 50 |
| Band 3s and 4s | 1,140 | 34 | 35 | 36 | 37 | 38 | 39 |
| Interim Beds | 750 | 0 | 0 | 0 | 0 | 0 | 0 |
| Additional Care at Home | 1,624 | 49 | 50 | 52 | 54 | 56 | 58 |
| | 11,038 | 154 | 158 | 163 | 168 | 173 | 178 |
| New Requirements | | | | | | | |
| £10.50 per hour Adult Social Care | 6,233 | 6,420 | 6,613 | 6,811 | 7,015 | 7,225 | 7,442 |
| Additional Social Workers | 830 | 25 | 26 | 27 | 28 | 29 | 30 |



| | | | | | | | |
|-------------------------------|-----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Carers Act | 769 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 7,832 | 6,445 | 6,639 | 6,838 | 7,043 | 7,254 | 7,472 |
| Funding Adjustments | | | | | | | |
| Estimated New Council Funding | (20,134) | (5,256) | (5,256) | (5,256) | (5,256) | (5,256) | (5,256) |
| Uplift in NHS Funding | (2,889) | (2,889) | (2,889) | (2,889) | (2,889) | (2,889) | (2,889) |
| New NHS Funding | (3,611) | 0 | 0 | 0 | 0 | 0 | 0 |
| | (26,634) | (8,145) | (8,145) | (8,145) | (8,145) | (8,145) | (8,145) |
| | 1,175 | 4,848 | 5,193 | 5,548 | 5,914 | 6,290 | 6,679 |

Budget Assumptions

| | 2022/23 | 2023/24 onwards |
|------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|
| Pay | NHS 2% ACC, 2% | NHS 3% ACC, 2% |
| National Insurance | Forecast Additional cost | 3% increase on additional cost |
| Transitioning Children - Learning Disabilities | Average number of transitioning children by average cost of package | Average number of transitioning children by average cost of package |
| Prescribing | Estimate from Grampian Prescribing group | Previous increases in prescribing |
| Demographics 2% uplift | Being managed in current year | 2% on older people's budget |
| Previously Funded from Local Mobilisation Plan | Based on costs current being incurred | 3% increase on additional cost where appropriate |
| Funded from recurring element of Winter Monies | The full year impact of winter funding received in 2021/22, which apart from interim care homes is recurring in 2022/23 | 3% increase on additional cost where appropriate |
| Demographics 2% uplift | Being managed in current year | 2% on older people's budget |
| £10.50 per hour Adult Social Care | Uplifts for NCHC and non NCHC services | Based on previous years uplifts are likely each year |



| | | |
|---------------------------|-------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------|
| Additional Social Workers | Additional funding to employ social workers to respond to additional demand following the pandemic | 3% increase on additional cost where appropriate |
| Carers Act | Additional carer funding | Additional funding now complete |
| Funding Adjustments | Additional funding in the NSH and Council grant settlements to be passported across to the IJB and a general uplift in NHS funding. | Based on previous estimated grant levels |

Pay Award – For NHS staff earning less than £25,000 a provision of 3% has been made, for those earning more than £25,001 a provision of 1% has been made. For ACC staff 2% has been included. The pay award for neither the NHS or Council has been agreed and there is a chance it will be at a higher level than estimated.

Transitioning Children (Learning Disabilities) – Children transition into the adult learning disabilities section once they reach a certain age. At this point they are reassessed by the care managers from the adult learning disabilities team and a new care package is created reflecting eligibility criteria. Pressure has been experienced on this budget in this financial year and the number of children transitioning has been costed at £650,000 in 2022/23. Please note, this is only an estimate based on an average care package; the care package for some transitioning children will be far higher than the average depending on the complexity of the disability.

Prescribing – The cost of the drugs prescribed by GPs usually increases year on year, and information from NHS Grampian’s Pharmacy Group has indicated that additional budget provision is required in 2022/23. The IJB has limited control over this budget, as it is unable to control the prices of drugs which are set nationally and influenced by factors such as supply and demand, currency movements and patents. It is also unable to control demand as it is a clinical decision as to whether a GP decides to prescribe a medicine. Aberdeen City already performs well nationally in terms of prescribing and has one of the lowest costs per head of population. This makes trying to generate efficiencies from this budget difficult.

Demographics – Before someone is provided a care package they are assessed by care managers against the eligibility criteria. In Aberdeen City care is only provided to those who are assessed as having a high or very high need. The majority of the Adult Social Care clients are over 65 and given the number of over-65s is forecast to



increase year on year, a provision has been added to cover the additional costs anticipated as a result of this.

Previously funded from Local Mobilisation Plan – For the last two financial years ACHSCP has been reclaiming the costs for additional care at home and a reduction in income from client assessments through the local mobilisation plan. Funding has now been received for additional care at home and this has been used to fund these costs going forward. In relation to the reduction in income it is possible that some of this maybe be reclaimed through the local mobilisation plan in 2022/23.

Funded from recurring element of Winter Monies – Funding for winter pressures was received in the third quarter of 2021/22. Most of these allocations had a recurring element to them and therefore the costs shown above are for the whole financial year. The only exception being interim beds where the allocation was reduced slightly in 2022/23 and is non-recurring. This is not anticipated to cause ACHSCP any problems as the interim beds can be decommissioned once the funding is finished.

New Requirements – This includes the additional cost of inflating social care providers contracts to enable a minimum of £10.50 per hour to be paid to adult social care workers and additional funding to be received to help employ additional adult social workers to support increased demands as a result of the COVID Pandemic.

Funding Adjustments – In previous years additional funding has been transferred to the IJB through the NHS to deal with the Scottish Living Wage increases etc. This financial year the additional money is flowing through the Council's and NHS grant settlements.

For the financial year 2022/23 an additional £26 million has been added to the grant settlements of Aberdeen City Council and NHS Grampian to be passed through to the Integration Joint Board. The vast majority of this money being earmarked for specific purposes.

There is a risk in future years that it might not be possible for ACC to pass over additional funding to the IJB, given the requirement to balance future council budgets (see the graph in the local context section for further information).

NHSG received an increase in their financial allocations for 2022/23 of 2%. The NHSG Budget Steering Group has agreed to pass on Aberdeen City's share of this funding, which amounts to £2.9 million.



6. Options to close the financial gap

| | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 |
|--------------------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Enabling Workstreams | | | | | | | |
| Aim – Caring Together: | | | | | | | |
| Reshaping our approach to commissioning services | 0 | (2,434) | (2,586) | (3,093) | (3,405) | (3,571) | (3,743) |
| Primary Care | 0 | (150) | (150) | (150) | 0 | 0 | 0 |
| | 0 | (2,584) | (2,736) | (3,243) | (3,405) | (3,571) | (3,743) |
| Aim – Improving Quality of Life: | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Aim - Safe at Home: | | | | | | | |
| Out of Area Placements | 0 | (350) | (350) | 0 | 0 | 0 | 0 |
| | 0 | (350) | (350) | 0 | 0 | 0 | 0 |
| Aim – Preventing ill health: | | | | | | | |
| Prescribing | (350) | (750) | (750) | (750) | (750) | (750) | (750) |
| | (350) | (750) | (750) | (750) | (750) | (750) | (750) |
| Enabler – Infrastructure: | | | | | | | |
| Whole system and connected remobilisation | (825) | 0 | 0 | 0 | 0 | 0 | 0 |
| | (825) | 0 | 0 | 0 | 0 | 0 | 0 |
| Future Service Redesign | 0 | (1,164) | (1,357) | (1,555) | (1,759) | (1,969) | (2,186) |
| Total | (1,175) | (4,848) | (5,193) | (5,548) | (5,914) | (6,290) | (6,679) |

Leadership Team Objectives

In recognising the impact of the financial position, we have in 2022/23 focused our Leadership Team objectives to align with the draft strategic plan to deliver on redesign, savings, and conditions for future progress. Further information is contained in appendix 4 of the budget report, on deliverables and measures. There is, of course, a range of Business as Usual (BAU) projects and activities that also contribute to our financial sustainability.



Aim – Caring Together:

Aberdeen City commissions the vast majority of its social care from care providers. Commissioning is the largest part of our budget and accounts for over £100 million of our available budget. COVID has substantially altered client demand and the social care marketplace and, at this stage, it is still too early to understand whether these changes are going to be permanent. There will also be work undertaken in relation to out of area placements to determine whether there are services locally that can be used and, if not, whether we can work with Providers to develop them.

We plan to review all social care expenditure and packages to determine whether changes made were temporary in response to COVID, whether they should or could be made permanent, and how to fund these changes on a recurring basis. The review will report through our Strategic Commissioning and Procurement Board which has been established to monitor and direct our commissioning activity. The focus of this Board will not only be to deliver services of a better or equivalent quality than currently commissioned, but also to do so at less cost. Maximising the use of community assets and increased use of alternatives to traditional commissioned services will also be considered. The Board will make recommendations on commissioning spend to the IJB throughout the financial year.

We have undertaken a review of primary care practices and we now need to seek to go further in terms of delivering the Primary Care Improvement Plan and reshaping primary care, maximising the dedicated funding available for this, to improve access and broaden service provision.

Aim - Safe at Home:

Over the winter 2021/22 period we have noticed an increase in demand for medical and unscheduled care, particularly in patients using our Frailty Pathway. We intend to undertake a review of this demand projecting forward to 2030 in order that we can understand any actions we need to implement to meet it. This may require some future decisions around increasing resource allocation to additional services and support in the community and potentially additional investment in digital solutions. Another area of focus is to ensure we get people home from hospital when they no longer need to be there. This is particularly relevant for those who require complex care who can often be placed in care locations out with Aberdeen. Switching to caring for these people in their own homes can be significantly expensive and the transition is something that will require careful planning in terms of budget allocation.

We plan to undertake a strategic review of rehabilitation services across the partnership, Specialist Older Adults and Rehabilitation Services and the Medicine and Unscheduled Care Portfolio with a view to improving both patient and staff



experience in this area. The Medicine and Unscheduled Care Portfolio being within the remit of the Chief Officer provides opportunities for yet further integration and joined up working, streamlining service provision and improving patient and staff experience.

Aim – Improving Quality of Life:

We will continue to progress the Grampian wide Mental Health and Learning Disabilities transformation programme in collaboration with partners with a view to evidencing increased community delivery across secondary and primary care in Aberdeen City. We will remobilise services in line with the Grampian Remobilisation Plan to help address the health debt and support people to recover from the effects of Covid-19.

Under BAU we will develop a revised Carers Strategy taking cognisance of the impact Covid has had on unpaid carers and the additional funding ring fenced to increase support for unpaid carers. Also as BAU, the Alcohol and Drugs Partnership will continue to progress actions on its Delivery Framework.

Aim – Preventing ill health:

We will deliver a programme of holistic community health interventions to target health inequalities in localities by making connections and focusing on early intervention and prevention. This 'social prescribing' work will be led by our Public Health Coordinators, our Health Improvement Officers and our Wellbeing Team working with our Locality Empowerment Groups and our DiversCity officers and be linked to the existing Stay Well Stay Connected programme. The funding available through Health Improvement, Food in Focus and the Alcohol and Drugs Partnership will be coordinated and targeted to priority areas that meet the partnership's strategic intentions.

The majority of the savings will come from seeking alternatives to medicines (social prescribing), ensuring our prescribing processes and management of patients using medicines is as efficient as it can be and also stopping the prescription of drugs where there is evidence of little clinical value. A cross-Grampian prescribing group provides recommendations to the Partnership on all prescribing matters. In addition, a key driver will be the use of technology to develop more efficient systems across community care which will impact on the key drivers.

Enabler – Infrastructure:

We will undertake a strategic review of the data, demographic and demand picture to understand the 'bed base' for unscheduled care across the Medicine and Unscheduled Care Portfolio, Specialist Older Adults Rehabilitation Services, and the



partnership between 2023- 2030. This will help us plan to have the appropriate infrastructure in place to deliver services that meet future demand and avoid having to implement short term work arounds which are often more costly.

Future Service Redesign:

All of the Partnership's senior teams have a focus on redesign of services and are constantly modifying service provision to ensure the best service is provided within the agreed budget. A workstream will be developed to determine where service redesign can happen which reduces the costs of service delivery and helps contribute towards closing the financial gap.



7. Risk Assessment

The setting of any budget is the acceptance of the assumptions and risk underpinning the figures. The IJB has its own strategic risk register and the individual services hold operational risk registers. The leadership team has established that the major risks impacting on the MTFE are as follows:

- During the previous budget processes a significant level of turnover savings was added to the budget to reflect the current staffing levels; should these staffing levels improve then this could impact on the delivery of this saving. This is monitored during each budget monitoring and all posts are taken through a vacancy control process.
- The proposed pay increase for 2022/23 in this financial strategy is based on the information provided by the Scottish Government for planning purposes. This has not been agreed and there is a risk that the percentage agreed could be higher than anticipated.
- The prescribing budget is a high-risk budget for the IJB. Whilst the decisions to prescribe are made locally, the costs of the drugs and the agreement to introduce new drugs are made nationally.
- The increasing level of complexity of need for some of our clients means that major care packages might materialise during the year which we have not budgeted for. The same applies to patients who need out-of-area care and where a clinical decision has been made that this is in their best interests.
- The external care market is fragile, with NCHC providers looking for high inflationary increases to provide stability. These increases are negotiated nationally and may be higher than forecast. Should the national negotiation break down then it is likely that local agreements will need to be negotiated and given the high cost of living in Aberdeen this is likely to be more than what would be agreed nationally.
- The Carers Act and the free personal care to under-65s legislation will increase the demand for these services. Although additional funding has been received for these purposes, until fully implemented it will be difficult to determine whether the resources received are adequate.



- COVID has had a major impact on the majority of Health & Social Care services, in 2020/21 and 2021/22 the financial risk of the additional costs of COVID was covered by the Scottish Government via additional funding. An element of this funding has been assumed in this financial strategy given the additional costs of COVID will cross financial years.
- There is a risk of increased demand for services, as a result of health debt caused due to COVID. Services are currently considering how best to manage this increased demand, but this may have an impact on future year budgets.
- Local Government elections in May 2022, could impact on the priorities of the Council and the level of funding provided to the IJB in future financial years.
- The recommendations of the Derek Feeley report have substantial implications for adult social care and the IJB. The Scottish Government has committed to the principle of a national care service, although the scope and function are not yet known. It is likely that the creation of a national care service will have a major impact on the Integration Joint Board and ACHSCP, however, at this stage the impact cannot be quantified.

All these risks will be monitored and reviewed through the finance monitoring statements on a regular basis.



Appendix 1: Services Provided by ACHSCP

Information on the services provided by ACHSCP is shown below:

Community Health Services (£39 million 2021/22)

Includes budgets for the community health services for each locality, including district nursing, health visiting, allied health professionals, public health, and the Public Dental Services (PDS).

Community Nursing Services

The Community Nursing Service for Aberdeen City comprises district nursing, health visiting, school nursing and specialist nursing services. The service has approximately 500 staff (310 wte) delivering services to the population of Aberdeen City. District nurses provide both scheduled and unscheduled nursing interventions predominantly to the elderly population, those with a palliative diagnosis and end-of-life care. These services are delivered both in-hours and out of hours. Health Visitors provide universal services to the under-fives practice population in line with the Children and Young People's Act (2014). They also have a remit to deliver the child protection agenda, keeping some of the most vulnerable children safe from harm. School nurses deliver services to children and young people, including the vaccination programme under direction from the Scottish Government. Specialist nursing services deliver nursing interventions which require expert knowledge, and they support the work of the general nursing service.

Allied Health Professionals

Allied health professionals (AHPs) are a distinct group of practitioners who assess, diagnose, treat, and rehabilitate people of all ages, across health, education, and social care, supporting many of our most vulnerable citizens across Aberdeen. They are experts in rehabilitation and enablement, supporting people to recover from illness or injury, manage pain and long-term conditions with a focus on maintaining and improving independence (including helping people to remain in work/return to work) and developing strategies for people to manage longer-term disabilities.

There are six AHP groups (200 staff) working across Aberdeen City HSCP: dietetics, occupational therapy, physiotherapy, podiatry, speech and language therapy and the prosthetics and orthotics service. These AHP services are delivered in a range of clinic, community, and education settings, including in the person's own home or in care homes, and provide in-patient care to people in Specialist Older Adult and Rehabilitation services in Woodend, Horizons, Craig Court, Rosewell and



Clashieknowe. This team assess, diagnoses, and treats over 45,000 new patients each year.

Public Health and Wellbeing

The main function of members of the public health team is to promote population and community health and wellbeing (as opposed to personal care), addressing the wider determinants of health and health inequalities. They do this by working with, and through, policies and strategies, across agencies and boundaries, providing leadership to drive improvement in health outcomes and the reduction of health inequalities. Their predominant focus is on primary prevention and the wider determinants of health at population level and the range of team members use approaches and skills that include programme development, implementation, and evaluation, assessing the impact of policies on people's health, project management, community engagement, and communication with a wide range of stakeholders. Whilst public health team members engage with a wide range of stakeholders, many of the programmes and outcomes they seek to influence, and support relate to early years, children, and young people. Key national and local priorities for the public's health are alcohol, tobacco, mental wellbeing, diet, physical activity, and healthy weight. Team members work in and across localities as well as with local people in communities and multi-agency environments.

The Public Dental Services (PDS)

The PDS provides NHS dental care for priority groups of patients across ten surgery sites in Aberdeen. In addition to core service delivery, the Aberdeen PDS provides the Minor Oral Surgery service for Grampian, providing sessional clinical input to the General Anaesthetic Clinic and has oversight of the Outreach provision for Dundee University undergraduates.

Hosted Services (£28 million 2021/22)

A range of services provided on a Grampian-wide basis and managed by one lead IJB, Aberdeen City IJB being the lead for:

- Specialist Older Adult and Rehabilitation Services – comprising the Grampian Specialist Rehabilitation Service and the Specialist Older Adults Service across Aberdeen and Aberdeenshire. These services provide a range community rehabilitation, specialist medical consultant liaison (including community consultant geriatrician alignment) and specialist services – dealing with wheelchairs, prosthetics, and orthotics across Grampian. There is also a significant medical in-reach service supporting the acute geriatric service within Aberdeen Royal Infirmary.



- Sexual Health Services – based at the Health Village but providing services across seven locations in Grampian.

The Moray and Aberdeenshire IJBs are the leads for the following services: Marie Curie Nursing Service, the Continence Service, Diabetes Managed Clinical Network, Chronic Oedema Service, Heart Failure Service, HMP Grampian Health Services, Police Forensic Examiners, Primary Care Contracts Team and GMED out-of-hours medical services.

Learning Disabilities Services (£35 million 2021/22)

The service is committed to integrated working and providing a range of diverse and intensive person-centred services, to promote and support independent living, underpinned by individual and family/carer involvement.

In-house services (127 staff) provide housing support, care at home (on six sites) and a modern specialised day service at the Len Ironside Centre. They also commission a wide range of supported living, residential, care at home, respite, and day services; the current contract framework has 20 providers for Supported Living Services and 15 providers for Enhanced Supported Services.

The Care Management Team (18 staff) provide comprehensive assessment, care package commissioning and ongoing support for over 650 adults with learning disabilities and associated complex conditions and needs. This includes our Transitions Service that works closely with Children's Services in the planning and transfer of young people into adult services.

The multidisciplinary Health Team (20 staff - medical, nursing, psychology, and allied health professionals) provide specialist health services to over 500 adults with complex and challenging needs.

Mental Health & Addictions (£23 million 2021/22)

This includes the provision of services by NHS community mental health service and adult social care services. Within adult social care there are three mental health teams and one old-age psychiatry and rehabilitation team based at Cornhill Hospital. These teams provide social work, care management and a Mental Health Officer service to people with mental health difficulties and their families, in a hospital-based environment and within the community. In addition to this there are integrated teams



for drug and alcohol providing a clinical and care management service for individuals who experience substance misuse. Across these services in adult social care there are around 1,000 service users at any one time.

Older People and Physical & Sensory Disabilities (£86 million 2021/22)

This is a care management service for individuals who are aged 65 years and over and for those with physical and sensory disabilities who are assessed as requiring care and support. Such services include provision of day care, care at home, residential care, sheltered and very sheltered housing, occupational therapy and provision of aids and adaptations. The service is made up of five care management teams providing services to 3,100 service users. The sensory disability services are commissioned from North East Sensory Services who have a social work team providing a statutory service to 135 people with a further 3,000 being provided support services.

Criminal Justice (£92,000 net – funded by ring-fenced grant)

Criminal Justice Social Work provides statutory supervision and court reports from the age of 18. The aim of the service is to reduce the risk of reoffending and harm by those who are supervised in the community and assisting with rehabilitation and monitoring to those released from prison. The service is made up of four community teams, a throughcare team, a pre-disposal/court team, an unpaid work team, and a Women's Service. They also undertake group work programmes for those convicted of domestic abuse offences or sexual offences. At any one time around 1,500 clients are open to justice services.

Primary Care Prescribing (£39 million 2021/22)

The cost of drugs prescribed by Aberdeen City GPs to patients covers medicines, dressings, appliances, and stock order items prescribed in the community by GPs and other prescribers. Expenditure is impacted by a complex range of factors including how long drugs are patented, the availability of a drug, individual expensive drugs, and an increase in community-based care, amongst others.

Practice pharmacists work in tandem with GP practices to ensure prescribing is efficient and effective. Prescribers are also supported with the Grampian Joint



Formulary Scriptswitch software and regular guidance/input from the lead pharmacists.

Primary Care (£43 million 2021/22)

Payments made to GPs for provision of services. The costs are largely dictated by the GPs' national terms & conditions of service from the GP contract. Aberdeen has 28 GP practices, providing general medical services to a population of 253,000 registered patients (1 Jan 2018). Whilst different contractual models operate across the city, all GP practices provide core general medical services together with a range of enhanced services. The above expenditure is drawn from the General Medical Services contract funding stream and represents the payments made to GP practices for the services provided to their registered list of patients.

Set-Aside Notional Budget (£48 million 2021/22)

Budgets for large hospitals are managed by the Acute and Mental Health sectors of NHS Grampian. The IJBs have a notional budget representing the consumption of these services by residents. The IJBs are responsible for the strategic planning for these services as a result of the legislation which established the IJBs.

The services covered include:

- accident and emergency services at ARI and Dr Gray's - inpatient & outpatient;
- inpatient hospital services relating to general medicine, geriatric medicine, rehabilitation medicine, respiratory medicine, learning disabilities, old age psychiatry, general psychiatry;
- palliative care services provided at Roxburghe House, Aberdeen, and The Oaks, Elgin.

A process has been developed to review these services, which involves staff from acute and the IJBs and is expected to start reporting through the IJBs and NHSG soon.