

Scottish Borders Health & Social Care  
Integration Joint Board



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### DISCHARGE PROGRAMME FUNDING MODEL

<b>Purpose of Report:</b>	<p>This paper follows the recent evaluation of the Discharge Programme presented to the last IJB. It proposes a whole system approach to funding the continued operation of the services within the Discharge Programme.</p> <p>Since the last IJB the country has now entered the Covid-19 pandemic. The original intention of the discharge programme has now become significantly more important and essential.</p> <p>This paper also provides an update on the status of the Transformation Fund, with the following recommendations.</p>
<b>Recommendations:</b>	<p>The Health &amp; Social Care Integration Joint Board is asked to agree:</p> <ol style="list-style-type: none"> <li>a) The funding allocations from the Transformation Fund 2020-2021, detailed in Table 2, paragraph 8.4.</li> <li>b) That the “Step Down” facilities of Waverley Care Home be merged with the operations of Garden View, as soon it is practical and safe to do so.</li> <li>c) That the IJB receives a further paper outlining a detailed “Direction” on the reduction of hospital beds.</li> </ol>
<b>Personnel:</b>	<p>The Transformation Fund enables the employment of staff within each project. Agreement to continue funding will require extension to existing contracts and appointment of new posts. Should the IJB not approve the proposal, normal HR processes will apply regarding redundancy and/or re-deployment.</p>
<b>Carers:</b>	<p>The Health &amp; Social Care Partnership will continue to liaise with Carers in the Borders around the ongoing development of the initiatives within this paper and the ongoing wider development of the Strategic Implementation Plan.</p>
<b>Equalities:</b>	N/A

Financial:	No resource implications beyond the financial resource identified within the report.
Legal:	Supports the delivery of the Strategic Plan and is in compliance with the Public Bodies (Joint Working) (Scotland) Act 2014 and any consequential Regulations, Orders, Directions and Guidance.
Risk Implications:	Not supporting the continuation of these workstreams may adversely impact on patient flow and increase demand on acute provision. This risk is significantly heightened by Covid-19.

## 1 Background

- 1.1 The Discharge Programme was established in February 2019 and comprises 5 separate but interlinked services that were brought together under the common aim of reducing time spent in hospital by older people. The services and their expected full year costs which are unfunded beyond 31 March 2020 are summarised below in **Table 1**:

<u>Discharge Programme Services</u>	<b>Full Year Costs £000s</b>
Home First	1,600
Waverley	206
Garden View	800
Matching Unit	204
Strata	115
Total Cost	<u>2,925</u>

- 1.2 The Transformation Fund was necessarily depleted to support the demand on both residential and homecare with 19/20 financial year (the IJB received papers on this in January 2020). The funds available in 20/21 are £2,193k. There is therefore a potential shortfall of £732k, for the discharge programme (£832k in total commitments for 20/21).

## 2 The Programme Evaluation

- 2.1 In September 2019, the Discharge Programme funding was extended to 31 March 2020 and it was noted that a full evaluation of the projects within the Programme was required before that date to enable the IJB to consider whether or not to progress the services and how to fund them in the future.
- 2.2 The Discharge Programme Evaluation was presented to the Executive Management Team (EMT) and Integration Joint Board (IJB) in February. All 5 projects evaluated positively and the EMT recommended to continue, subject to confirmation of funding.
- 2.3 The EMT requested that a whole system approach across the totality of the IJB budget to enable its continuation.

### **3 Whole System Review of Funding Options**

3.1 The EMT request was taken forward by a group of finance, service and project colleagues from both NHS Borders (NHSB) and Scottish Borders Council (SBC) working in partnership to deliver the brief. The process identified the following proposals to bring the programme into budget.

1. Reduce current programme cost
2. Reduction in hospital beds as a result of reduced demand and occupied bed days.
3. Integration of “Step Down” facilities
4. Reduction in administration costs

3.2 The following sections of this paper provide the detail of work undertaken to complete the above steps.

### **4 Reduce Current Programme Cost**

4.1 The funding identified for each service was based on estimated costs and financial modelling outcomes done at a point in time. Reviews of each of the projects identified

- A reduction in Home First costs. Staff are now employed on full time or fixed term contracts and their ongoing costs are now known, and not estimated. An overall reduction of £200k in costs was identified when ongoing spend was compared to funding required.
- A saving of £104k was identified in relation to the Waverley reablement service. This can only be realised, however, if the recommended actions to merge the integrated step down facility services noted below are taken.

### **5 Reduction in Hospital Beds**

5.1 The key outcome from the programme is to facilitate the timely discharge of patients from hospital and to support relevant patients in the community to reduce demand for health and social care. The evaluation of these services identified an 8% reduction in hospital occupied bed-days. Collectively the programme will lead to a reduction in hospital beds which will release £1070k in a full year. We estimate a 50% use of these funds to support the programme.

### **6 Integrating Step Down Facilities**

6.1 An opportunity has been identified to bring all transitional care and discharge to assess beds into one place. The historical occupancy across Garden View and Waverley facilities indicates all these clients could be accommodated in Garden View going forward. This would utilise all 23 beds within Garden View but would release 16 beds from Waverley to be used for residential care. The current reablement model would transfer to the expanded Garden View service under this proposal.

6.2 There is a saving of £104k from implementing this development.

### **7 Admin Costs**

7.1 The evaluation of the Discharge Programme indicated that an administrative saving could be made by merging the Matching Unit and STRATA services with SBCares. Initial estimates indicated this merger would release circa £204k. Further savings

are expected in admin costs from the further roll out of STRATA, these have still to be quantified and are not included within this paper.

## 8 Residential and Homecare

- 8.1 With the proposal to expand Home First and support a close partnership with SBCares' further development of "reablement services", we expect a further reduction in the demand for homecare or at least a reduction in the rate of demographic pressure increase.
- 8.2 The proposals have also released a further 16 residential beds for permanent use, which were previously being utilised as intermediate care beds.
- 8.3 The cost saving of the hospital bed closures for 20/21, £294k is a part year cost, the full year saving of £502k, will allow for further support for care, subject to IJB approval for the 21/22 budget.
- 8.4 The implications of these proposals are summarised in **Table 2** below:

Programme	19/20	20/21	
Home First	£1,600,000	£1,210,000	Phased, full yr effect £1,400,000
Waverley	£206,000	£102,000	Transfer to Garden View
Garden View	£800,000	£939,000	Cost of 23 beds
Matching Unit	£204,000	£0	Mainstream budget
STRATA	£115,000	£115,000	
Shared Lives		£100,000	Shared Lives
Bed Closure		-£294,000	£502,000 full year effect
Admin saving			STRATA, further savings to be identified, not included.
<b>Total cost</b>	<b>£2,925,000</b>	<b>£2,172,000</b> <b>£2,193,000</b> <b><u>£21,000</u></b>	Total cost Funds available Underspend

## 9 Alternative Options

- 9.1 Alternative options were explored through the whole system review process but they did not deliver the required outcomes of:
- Reducing the time spent in hospital by older people and facilitating their timely discharge from hospital
  - Providing a whole system approach to funding the ongoing provision of the services.
- 9.2 These options are summarised below along with the reason for their rejection

**9.2.1 Withdraw all the Discharge Programme Services**

Withdrawing the services would remove their £2.6m cost, however it would also mean that a ward of beds would be reinstated with related costs and loss of savings. Similarly, an increase in the requirement for Homecare hours could be expected as patients spend longer in hospital. Most importantly, this option would go against the strategic aims of the IJB and the best interests of the patients.

**9.2.2 Run the Services at an Overspend**

Comparing the Transformation Fund monies to the reduced cost of the programme identifies recurring pressures of £400k. Both partner bodies are experiencing significant financial pressures and would not have any scope to absorb additional pressures. Furthermore, incurring spend beyond available budget would not be agreed by either partner body.

9.3 So the only viable option was the whole system review of Discharge Programme funding.

**10 Risks**

10.1 There is a risk that fully utilising the fund next year will reduce opportunities to pump prime future transformational change.

10.2 There is a risk that the Discharge Programme does not deliver on its outcomes and ongoing pressure is experienced in the demand for hospital beds. There needs to be clear agreed outcomes which can be monitored and reported for each element of the Programme. This will ensure clarity in the drivers of any bed pressures and enable corrective action to be taken.

10.3 There is a possibility that demand for beds in Garden View will exceed the revised bed base of 23. The modelling done to support this change however indicates the likelihood of this occurring is very low.

10.4 The transfer of intermediate care beds from Waverley to Garden View can only be undertaken when service demands allow. There is a risk therefore that the intended saving may reduce. If this occurs, it will be a pressure on the overall budget and alternative savings will need to be identified.

10.5 There is a further risk that, if we do not continue with these programmes, that the length of hospital stay would increase, thus reducing the ability for patients to recover quickly. Hospital capacity would therefore be significantly reduced, bringing substantial to the whole health and social care system.

**11 Next Steps**

11.1 As part of the work to identify redesign opportunities the group were able to explore further transformational development opportunities. It was established that it would be possible to release up to a further 46 hospital beds in the future following targeted investment particularly in preventative and rehabilitation services in the community. These bed reductions would release significant funding which could contribute to the outstanding savings targets across the Partnership and provide mainstream funding for the increase in residential and homecare.

11.2 It is recommended that further scoping work is undertaken to progress these transformational developments.

## 12 Summary

12.1 The positive evaluation of the Discharge Programme and the outcome of the whole system approach to identifying ways of funding the programme has resulted in the creation of a sustainable funding model which would ensure the programme continues to evolve and delivers ongoing system benefits across the Partnership.

12.2 The recommendations of the review of the whole system are:

1. The funding allocations from the Transformation Fund 2020-2021, detailed in Table 2, paragraph 8.4.
2. That the “Step Down” facilities of Waverley Care Home be merged with the operations of Garden View, as soon it is practical and safe to do so.
3. That the IJB receives a further paper outlining a detailed “Direction” on the reduction of hospital beds.