

Dear All

## **2018/19 Devolved Budget Allocation to XXX Health & Social Care Partnership**

Following the recent series of meeting and related correspondence, please find the latest version of the proposed 2018/19 devolved budget for XXXX HSCP. This proposition remains an indicative offer pending approval by the Health Board through NHSGGC's formal governance process (This is expected to be discussed at the Health Board meeting on 17<sup>th</sup> April 2018).

### **Legacy Unachieved Savings**

The budget allocation is made on the basis that XXX HSCP will deliver recurrently its agreed share of the HSCP unachieved savings from 2015/16.

### **Annual Uplift**

The budget allocation includes a 1.5% uplift on 2017/18 base budgets and any proportionate full year effect additional pay, mental health and alcohol and drug funding uplifts from Scottish Government for 2018/19.

### **Prescribing**

As previously agreed in 2017/18, the prescribing risk sharing arrangement will terminate with effect from 1<sup>st</sup> April 2018. The HSCPs have worked on this basis in planning for 2018/19 and the prescribing budgets will be allocated on the existing basis to HSCPs.

We acknowledge that HSCP Chief Officers have worked with the Board's Lead Clinicians for Prescribing Services to establish an agreed plan to contain costs and deliver savings from within the delegated prescribing budget for 2018/19. This will also be supported through Prescribing Support Pharmacist (PSPs) working proactively with GPs throughout the year to appropriately manage and contain costs and volumes. This programme will be further supported by the imminent campaign across all six HSCPs in collaboration with the Board to ensure a targeted approach with patients to reduce waste. The aim is to appropriately reduce the quantity of drugs dispensed specifically where reduced need is identified at specific points in care/treatment pathways.

At the time of this letter, the projected cost impact of short supply drugs in 2018/19 will be circa £6.5m. The Board will work together with Chief Officers to mitigate this cost pressure, and more widely reduce the costs of drugs, through a series of actions including collaborating with other HSCPs across Scotland to proactively engage with Scottish Government with the clear aim of establishing plans to reduce overall drug costs in 2018/19, including a clear focus to:-

- Test how improved national procurement can generate a cost advantage in year;  
and
- Consider what drugs are available in 2018/19 in Scotland/locally with the joint aim that patient need is met, patient safety assured, effectiveness and evidence are prioritised but costs are reduced.

### **Joint Working**

Shifting the balance of care remains a key commitment of the Health Board and the Integration Joint Boards. As such, Chief Officers will continue to work with the Board's Executive and Senior Management teams to identify any plans for delivery in 2018/19 that will appropriately

accelerate service redesign and change as part of the emerging Moving Forward Together Health and Social Care Transformation Programme.

This programme is centred on ensuring a balanced and effective future system of health and social care services. These changes must sensibly and pragmatically connect the policy intentions set out in the Scottish Government National Clinical Strategy, Health and Social Care Delivery Plan, link to the emerging West of Scotland Regional Plan, to the emerging NHS GGC Whole System Mental Health Strategy, to the implementation of the new GP contract and the local HSCP Primary Care Improvement Plans and to the NHS GGC Unscheduled Care Action Plan.

The focus in 2018/19 is to deliver early gains in reducing unscheduled bed-days in hospital care by at least 10% to enable that shift in the balance of care and services, consequently shift resources into community based services, actively and appropriately promote appropriate use of services, prevention and self care, and appropriately reduce demand on services and demands for prescribed drugs.

We will continue the current work to assist the Chief Officers in aligning their recent HSCP MSG returns with the Health Board's Corporate Objectives.

### **Set A Side Budgets**

We will continue to work with the Chief Finance Officers (CFOs) on the determination and management of set-aside budgets in line with the principals set out in the Integration Scheme. The current programme of work includes identifying both cost and activity of the in-scope services within the set-aside.

Yours sincerely

Mark White