Item No: 7

Meeting Date: **Wednesday 24th March 2021**

Glasgow City Integration Joint Board

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Medium Term Financial Outlook 2021 - 2024

Purpose of Report:	This report outlines the Medium Term Financial Outlook for the Integration Joint Board (IJB) and has been prepared to support financial planning and delivery of the IJB's Strategic Plan.
Background/Engagement:	This draft plan has been developed to support financial planning and delivery of the IJB's Strategic Plan. All services, Partner Bodies and IJB members have been engaged in the development of this outlook.
Recommendations:	The Integration Joint Board is asked to: a) approve the Medium Term Financial Outlook 2021– 2024 attached to this report at Appendix 1.

Relevance to Integration Joint Board Strategic Plan:

This report outlines the funding and expenditure requirements over the medium term to support delivery of the Integration Joint Board Strategic Plan.

Implications for Health and Social Care Partnership:

Reference to National Health & Wellbeing Outcome:	Not applicable at this time.
Personnel:	Any implications for Personnel can only be established once final funding allocations are known from Partner Bodies, and the implications for Personnel can then be assessed.

Carers:	Expenditure in relation to Carers' services is included within this draft medium term financial outlook.

Provider Organisations:	Expenditure on services delivered to clients by provider organisations is included within this draft medium term financial outlook.

Equalities:	Not applicable at this time.

Fairer Scotland Compliance:	The expenditure on services supports the delivery of a Fairer Scotland.

Financial:	The draft medium term financial outlook identifies an estimated funding gap of £58m over the three years, with £5.9m identified for 2021 - 22. This funding gap represents a challenging target and would be beyond a level which Chief Officers could support in light of the demographic and demand pressures and our ability to continue to deliver services which are safe. As a result, over the medium term the IJB will continue to engage with Partner Bodies in relation to future funding levels.

Legal:	The Integration Scheme requires Glasgow City Council and NHS Greater Glasgow and Clyde to consider draft budget proposals based on the Strategic Plan as part of their respective annual budget setting processes. This is required to include assumptions on a range of issues including but not limited to: - • activity changes • cost inflation • efficiencies • performance against outcomes • legal requirements • transfer to or from amounts sets aside by the Health Board • adjustments to address equity of resource allocation

Economic Impact:	Not applicable at this time.

Sustainability:	Sustainability of service provision over the medium term will be dependent on the final medium term financial outlook and the decisions required to deliver a balanced budget.

Sustainable Procurement and Article 19:	Not applicable at this time.

Risk Implications:	The IJB is required to set a balanced budget for 2021 – 22 by the end of March 2021. This requires both Glasgow City Council and NHS Greater Glasgow and Clyde to provide financial allocations to support this timescale. The Medium Term Financial Outlook makes a number of assumptions about funding and expenditure requirements between 2021 and 2024. Sensitivity analysis is used to test the major assumptions made by the model and understand what the implications are if assumptions change. This effectively tests 'what if' scenarios and enables the IJB to determine the potential fluctuation which could exist within the modelling and will assist future planning.

Implications for Glasgow City Council:	The Integration Scheme requires Glasgow City Council to consider draft budget proposals based on the Strategic Plan as part of their annual budget setting processes.

Implications for NHS Greater Glasgow & Clyde:	The Integration Scheme requires NHS Greater Glasgow and Clyde to consider draft budget proposals based on the Strategic Plan as part of their annual budget setting processes.

Direction Required to Council, Health Board or Both	
Direction to:	
1. No Direction Required	☐
2. Glasgow City Council	☐
3. NHS Greater Glasgow & Clyde	☐
4. Glasgow City Council and NHS Greater Glasgow & Clyde	☒

1. Purpose

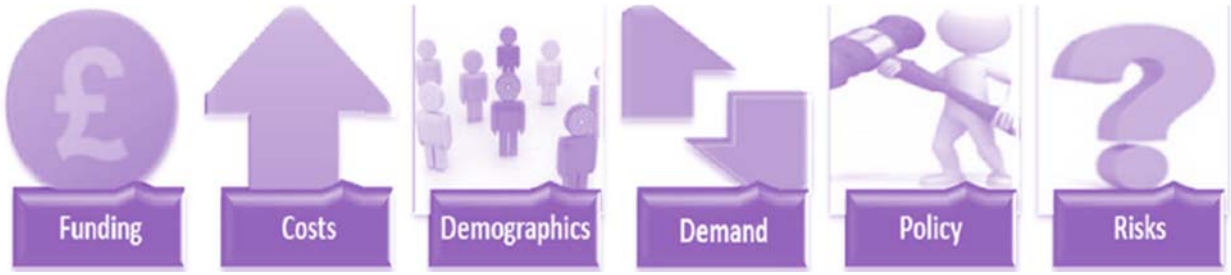
1.1 The IJB's Strategic Plan set out the ambitions of Glasgow City IJB. However, it is important that this is set within the context of the funding which is available to support delivery, and medium term financial planning is an important part of the strategic planning process.

1.2 This has been recognised by the Accounts Commission report in November 2018, which highlighted the need to link resources to strategic priorities, recommending longer-term, integrated financial planning between IJB's and Partner Bodies to deliver sustainable service reform.

1.3 Glasgow City IJB first developed a medium term financial outlook to support the development of the 2019 – 2022 Strategic Plan. This outlook has been updated and now covers the period 2021 – 2024.

2. Financial Context

2.1. The Medium Term Financial Outlook provides an opportunity for the IJB to gain an understanding of the financial climate in which it will operate over the medium term. This has been done by considering the impact of a range of factors, which are illustrated below and reflect the complexity of factors which can impact on IJB financial pressures.

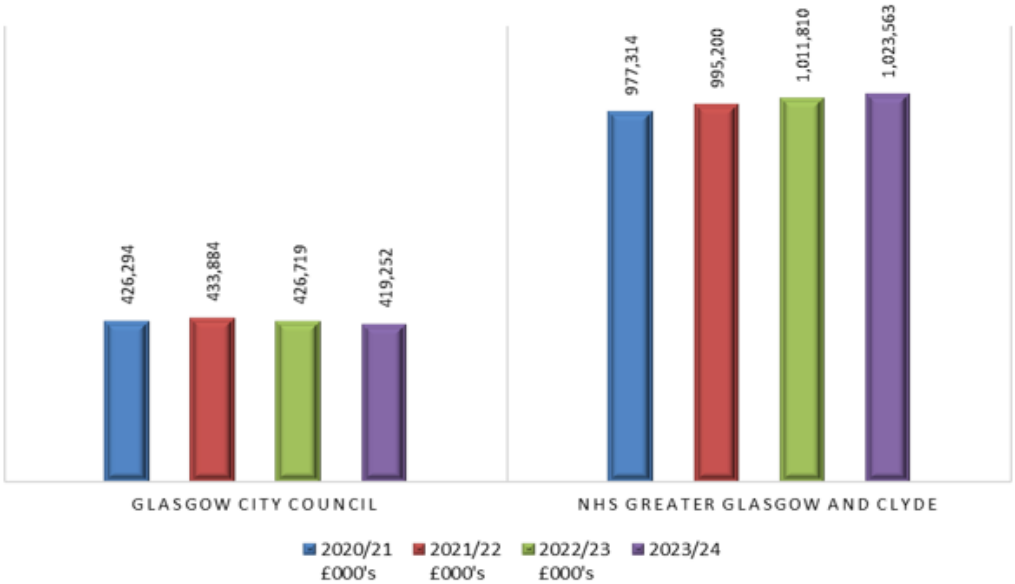


Impact on Funding

2.2 The IJB is reliant on funding from Glasgow City Council and NHS Greater Glasgow and Clyde. These Partners' contributions are contingent on their respective financial planning and budget setting processes, as well as the financial settlements which each body receives from the Scottish Government. The budget setting process will also consider the level of savings which will be applied to the IJB by both Partner bodies.

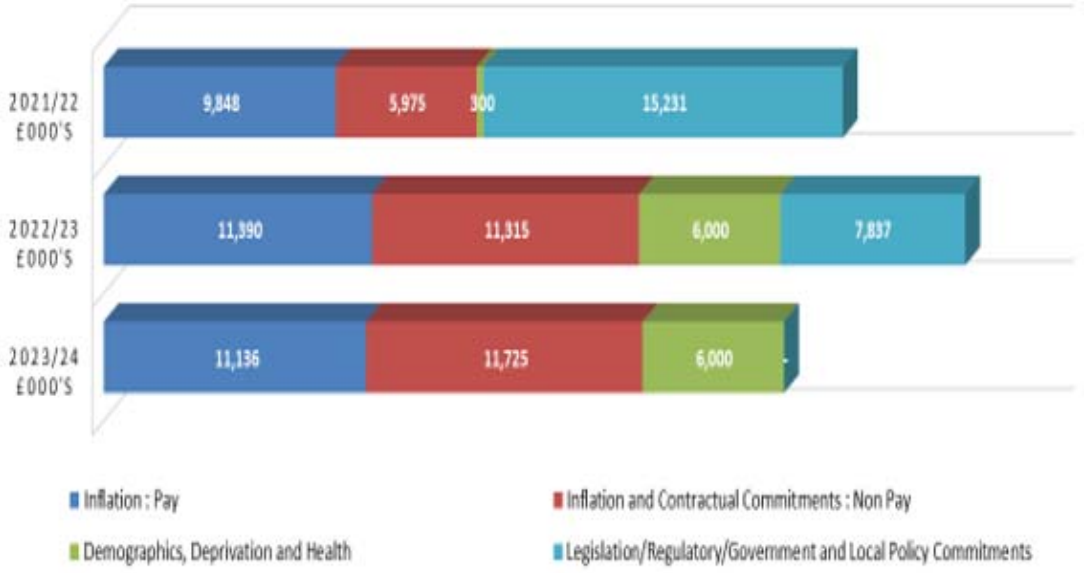
2.3 The Integration Scheme requires Glasgow City Council and NHS Greater Glasgow and Clyde to consider draft budget proposals based on the Strategic Plan as part of their respective annual budget setting processes. The funding which is proposed to be delegated to the IJB from Glasgow City Council and NHS Greater Glasgow and Clyde for 2021-22 is reflected within this document. This is the subject of a separate report to the March IJB.

2.4 Funding assumptions beyond this are based on the best information available at this time and forecast that Health Board funding is likely to increase by £46m between 2021-22 and 2023-24, with Council funding expected to reduce by £7m over the same time period.



Impact on Expenditure

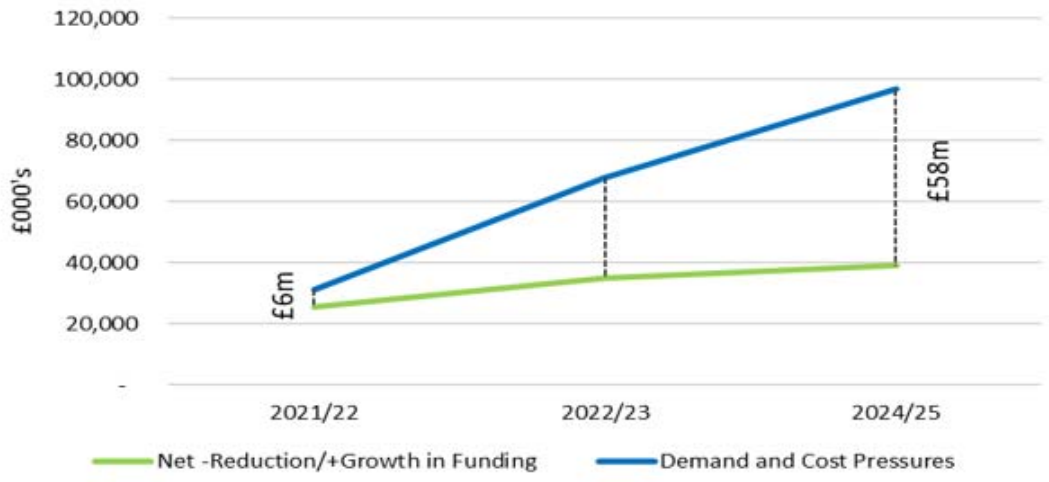
2.5 Each year the IJB will face cost pressures as a result of range of factors including demand, inflation and changes in legislation/regulations. This Outlook has assessed the key factors likely to impact over the medium term and estimates that the IJB will face cost and demand pressures of £97m over the next three years.



2.6 These pressures reflect a number of inflationary pressures which the IJB is required to contractually pay which it has no control over and ranges from £16m to £23m per annum. In addition to this, services are experiencing high levels of demand for services as a result of demographics, deprivation and health issues some of which are being reflected in our financial performance in 2020-21. In addition to this there are a number of new commitments in relation to national and local policy commitments, and in relation to the Pandemic response.

Impact on Financial Position

2.7 The assessment of both funding and expenditure identifies a shortfall in funding of £58m and represents the scale of the challenge facing the IJB over the medium term.



2.8 This will require the IJB to consider options for savings in 2021 – 22 of £5.9m to deliver a balanced budget and this is the subject of a separate report to the March IJB.

2.9 This shortfall represents a challenging target and would be beyond a level which Chief Officers could support in light of the demographic and demand pressures and our ability to continue to deliver services which are safe. As a result, over the medium term the IJB will continue to engage with Partner Bodies in relation to future funding levels.

3. Recommendations

3.1 The Integration Joint Board is asked to:

a) Approve the Medium Term Financial Outlook 2021 – 2024 attached to this report at Appendix 1.

DIRECTION FROM THE GLASGOW CITY INTEGRATION JOINT BOARD

1	Reference number	240321-7
2	Report Title	Medium Term Financial Outlook 2021 - 2024
3	Date direction issued by Integration Joint Board	24 March 2021
4	Date from which direction takes effect	24 March 2021
5	Direction to:	Glasgow City Council and NHS Greater Glasgow and Clyde jointly
6	Does this direction supersede, revise or revoke a previous direction – if yes, include the reference number(s)	No
7	Functions covered by direction	All functions as outlined in the Medium Term Financial Outlook.
8	Full text of direction	The Integration Scheme requires Glasgow City Council and NHS Greater Glasgow and Clyde to consider draft budget proposals based on the Strategic Plan as part of their annual budget setting processes. Both Partners are requested to consider this Medium Term Financial Outlook as part of their annual budget process for 2022 – 23 and 2023 – 24.
9	Budget allocated by Integration Joint Board to carry out direction	Not relevant at this stage.
10	Performance monitoring arrangements	In line with the agreed Performance Management Framework of the Glasgow City Integration Joint Board and the Glasgow City Health and Social Care Partnership.
11	Date direction will be reviewed	31 March 2022

Glasgow City HSCP
Health and Social Care Partnership

Glasgow City

Medium Term Financial Outlook 2021-2024

Health and Social Care Partnership





NHS Greater Glasgow and Clyde

Glasgow CITY COUNCIL

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1. EXECUTIVE SUMMARY

Glasgow City IJB Medium Term Financial Plan underpins the delivery of the ambitions and priorities as outlined in the three year Strategic Plan. It recognises the challenging economic climate that the public sector operates within and directs the best allocation of resources across the health and social care system to meet the needs of our communities and ensure longer term service resilience and an ability to respond to changing demands and pressures.

Glasgow City IJB delivers a range of services to its citizens and in 2020-21 has funding of £1.4bn to spend on services. The City of Glasgow has a number of challenges to address in relation to deprivation, ill health and inequality and there continues to be more that can be done to ensure that there are opportunities for everyone in the City to flourish and live longer and have healthier and more independent lives within stronger communities.

The demographic, health and deprivation profile of the city impact on the demand and can often result in higher support levels than experienced in other parts of Scotland. This creates a challenging environment in which to operate, managing demand within the financial constraints, whilst transforming services and delivering on the integration agenda.

Glasgow City IJB is clear about the challenges which are ahead and its aspirations for its services and this needs to be considered in the context of the financial resources which will be available over the Medium Term. This outlook estimates a funding shortfall of £58m over the next three financial years. This is based on the best estimates available and sensitivity analysis has been undertaken to highlight the implication of changes to underlying assumptions.

There has been significant progress already in transforming services. As well as delivering financial savings this has enabled services to increase their effectiveness and efficiency, managing the increasing demand and complexity of the patients and service users supported.

2020-21 has been dominated by the Covid 19 pandemic, and this Plan recognises that this will continue to impact over the medium term as we continue to respond to the pressures, we face but also in terms of redefining the response that will be required from our services to the longer term health and economic impacts the City will face.

The tolerance of the system in its current form to continue to reform to absorb the twin challenges of increasing demand and reducing resources is itself reducing. The IJB can and will continue to identify and effect any efficiency opportunities that exist. However, under current trends, it is prudent to forecast that this will lead over time to a steady erosion of performance across key measures as the system as currently configured reaches the limits of its capacity.

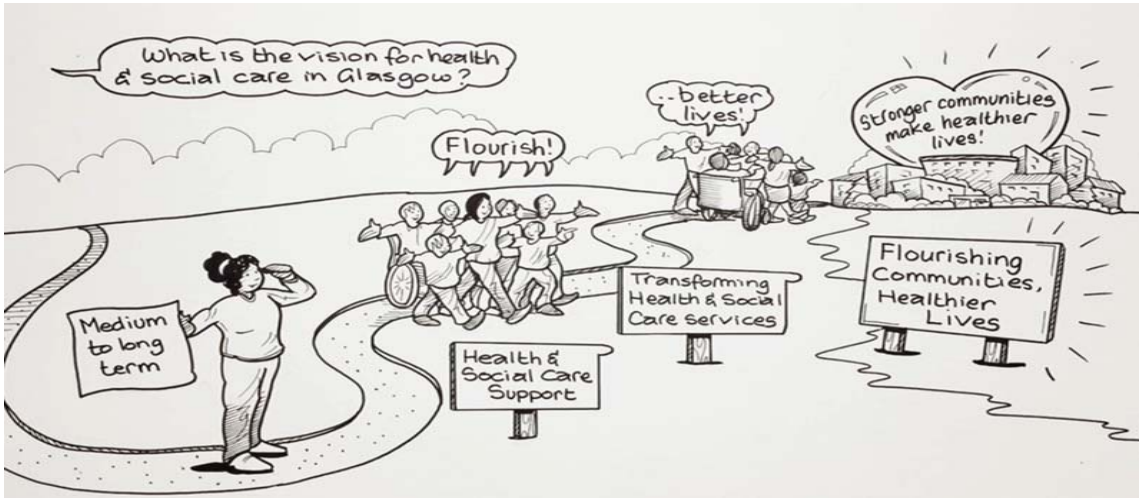
A clear strategy is required to ensure the IJB remains financially sustainable over the medium term. This will focus on delivery of a sustainable health and social care service for the City which will focus on prevention and early intervention approaches and will encourage individuals and communities to support each other. This recognises that the best health and care outcomes are associated with the highest possible levels of self-management and independence. We need to change the way we work with people to reflect the way they live now, balancing the need for care and support as well as continuing to work with Partner Bodies in relation to future funding.

2. PURPOSE

Glasgow City Council and NHS Greater Glasgow and Clyde deliver integrated health and social care services as Glasgow City Health and Social Care Partnership, through the Integration Joint Board (IJB), established in February 2016.

At its heart, Integration is about ensuring that those who use health and social care services get the right care and support whatever their needs, at the right time and in the right setting at any point in their care journey.

Through transformational change and using innovative new approaches to support Glasgow's health and social care needs, the IJB is focused on improving the health and wellbeing of the city and contributing to reducing health inequalities and the impact of poverty and deprivation in the City. This is detailed in the Strategic Plan for Health and Social Care 2019-22 which outlines planned activities to deliver the vision for health and social care in Glasgow. This is shown below.



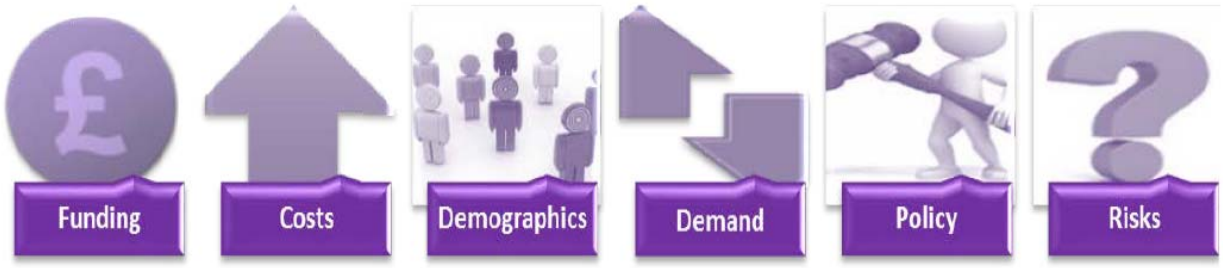
Medium term financial planning is an essential piece of the strategic planning process providing the IJB with the ability to look strategically and develop plans which are cognisant of pressures on public spending and wider economic impacts. It has been recognised by Audit Scotland as essential to deliver integration and integrated financial planning in Scotland.

A robust medium term financial plan will enable informed decisions, balancing the financial impact of IJB policies and objectives and outlining how this contributes towards achieving desired outcomes whilst ensuring sustainability and continuity of service delivery.



OUR APPROACH

The IJB updates its Medium Term Financial Outlook on an annual basis to support the delivery of its Strategic Plan. This Outlook is key to translating the organisation's ambitions and constraints into deliverable options for the future. This update will consider the impact of a range of factors, which are illustrated below and reflect the complexity of factors which can impact on IJB financial pressures.



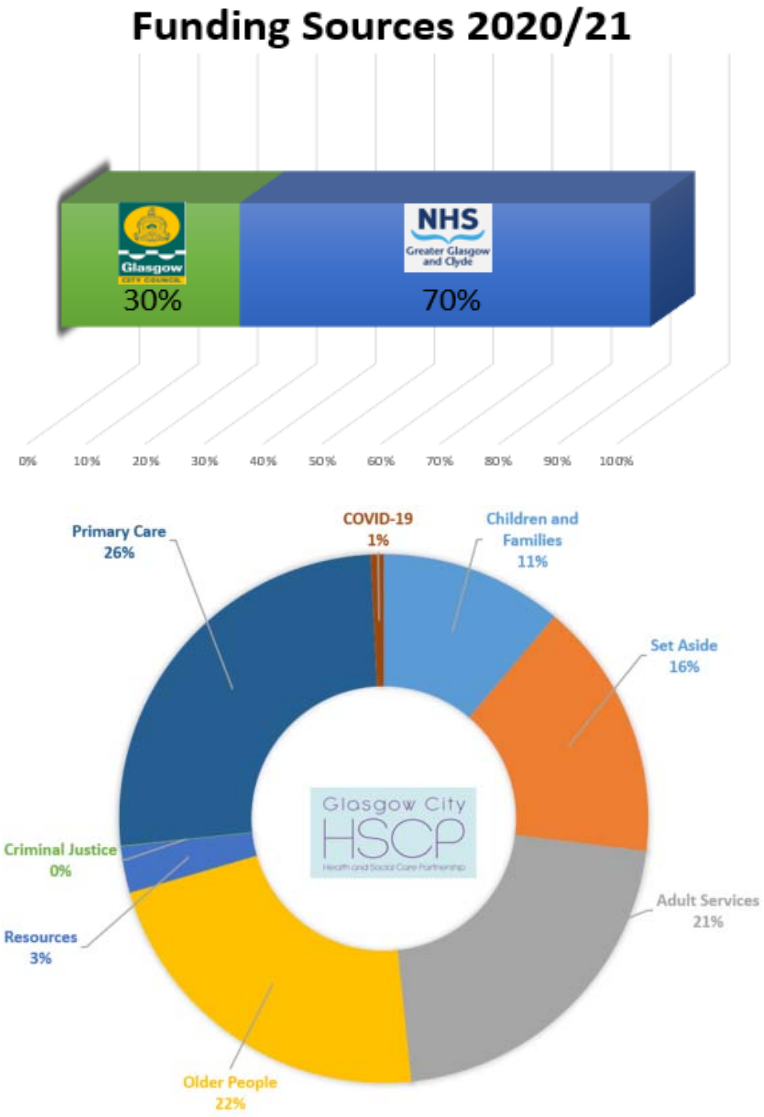
3. LOCAL CONTEXT

The City of Glasgow has been transformed in recent years, developing remarkable business and tourism sectors and becoming one of Europe's top financial centres, whilst the physical enhancement of the City has been dramatic. However, challenges in addressing deprivation, ill health and inequality are significant and well documented.

A lot of progress has been made in addressing these issues, but there continues to be more that can be done to ensure that there are opportunities for everyone in the City to flourish and live longer and have healthier and more independent lives within stronger communities.

OUR BUDGET

The budget for Glasgow City IJB in 2020/21 is £1.4bn, funded through delegated budgets from both Glasgow City Council and NHS Greater Glasgow and Clyde and includes £223m Set Aside Funding.

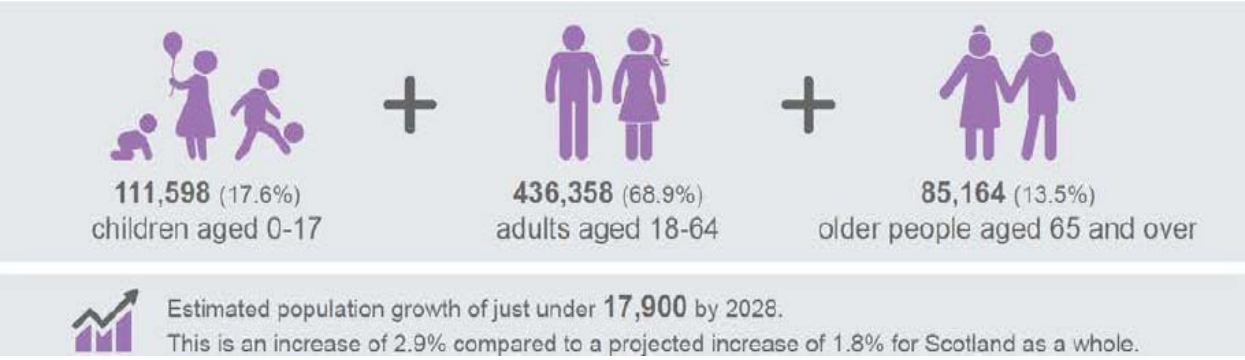


There is likely to be cost pressures as a result of our on-going response to the pandemic and the future consequences on service demand as a result of the impact that it will have on health, poverty and deprivation.

OUR DEMOGRAPHICS

There are a number of key characteristics which distinguish Glasgow City from the rest of Scotland which consequently impact on the direction of Health and Social Care to our Citizens.

Glasgow City has a population of 633,120 (2019 National Records of Scotland) which is 11.6% of the population of Scotland.



During the ten year period 2018-2028 the City will experience a 17.9% increase in our population of older people, compared to 19.3% of Scotland overall.

Glasgow City Localities



More people in Glasgow live in the South (36.2%) followed by North West (35.4%) and then North East (28.5%) localities

There are more females than males overall in all three Glasgow localities, Glasgow City and Scotland with this also reflected in the gender balance of the adult and older people populations

For children, however, there are more boys than girls in each of the localities, Glasgow City and Scotland.

The ethnic profile of Glasgow's population is very different from that of Scotland overall with Glasgow City having a percentage of BME people (11.6%) almost 3 times that of Scotland (4.0%)

There are also differences in the ethnic profile of the population within Glasgow with a BME population in North East of 7.0%, North West 12.5% and South 14.2%

It is estimated that almost 17,000 people in Glasgow do not speak English well or at all with the Glasgow rate of 2.7% of the aged 3+ population being almost double that for Scotland (1.4%)

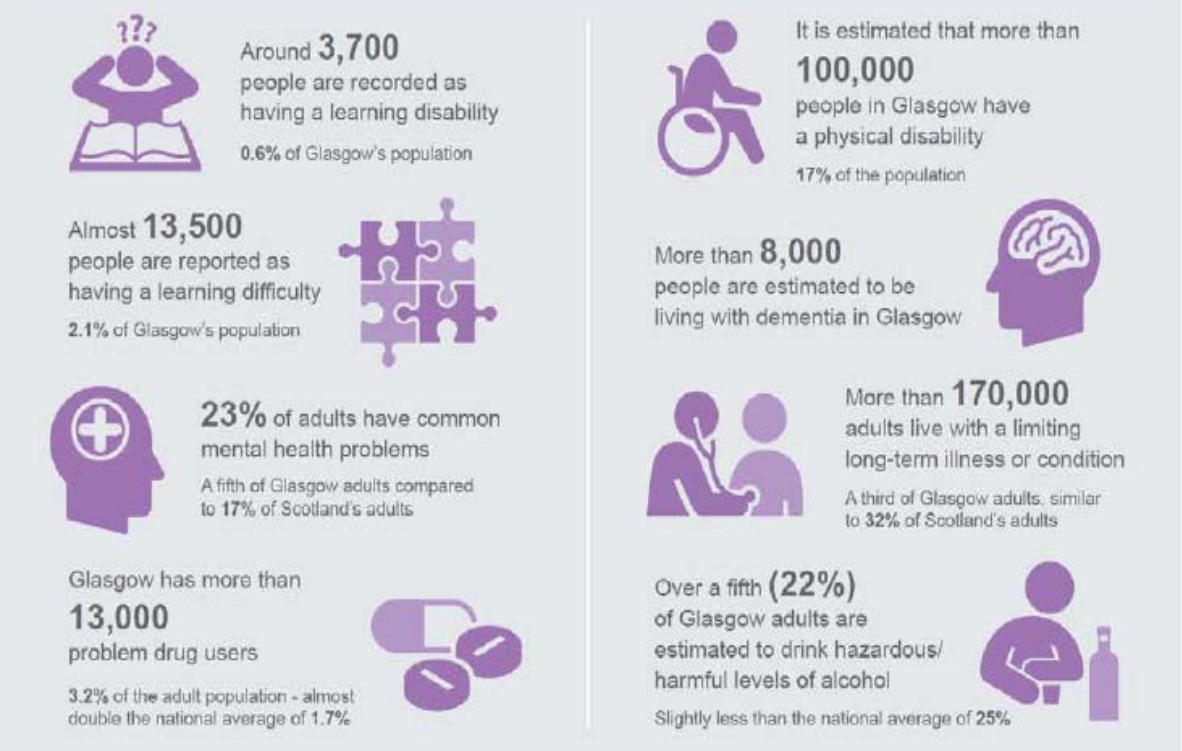
The rate of population reporting LGB sexual orientation is higher in Glasgow (2.6%) than in Scotland (2.0%) with the rate of those not reporting or disclosing this in Glasgow (0.9%) being more than twice the Scotland rate of 0.4%

		Area/HSCP Locality				
All people		**North East[a]**	**North West[a]**	**South[a]**	**Glasgow City[b]**	**Scotland[b]**
Life expectancy at birth (age in years)	Males	72.2	74.1	74.1	73.4	77.1
	Females	77.9	79.3	79.4	78.7	81.1

Source:
Scottish Public Health Observatory (ScotPHO) (a) 2014 to 18 (b) 2016 to 18

OUR HEALTH & DEPRIVATION

The City of Glasgow has a number of challenges to address in relation to deprivation, ill health and inequality and there continues to be more that can be done to ensure that there are opportunities for everyone in the City to flourish and live longer and have healthier and more independent lives within stronger communities.



POVERTY AND DEPRIVATION



Deprivation can have a detrimental impact on the health of our population and the services which they require to access from the IJB. The Scottish Index of Multiple Deprivation (SIMD) is the Scottish Government's standard approach to identify areas of multiple deprivation in Scotland. The SIMD is constructed using 38 indicators within 7 domains (Income, Employment, Health, Education, Skills & Training, Geographic Access, Housing and Crime) each of which describes a specfic aspect of deprivation. There are 6,976 data zones, a weighted combination of these domains, in Scotland, 746 are within Glasgow City.

A disproportionately high number and percentage of 45.4% of all of Glasgow's data zones are in the 20% most deprived data zones in Scotland.

- North East 58.4%
- South 40.1%
- North West 39.9%

51% of all children in Glasgow live in the 20% morst deprived data zones

- North East 63.9%
- North West 47.5%
- South 43.8%

The City of Glasgow has a number of challenges to address in relation to deprivation, ill health and inequality and there continues to be more that can be done to ensure that there are opportunities for everyone in the City to flourish and live longer and have healthier and more independent lives within stronger communities.

The impact of Covid on Poverty and the economy is still to be fully understood. There is likely to be a significant impact as a result of job losses, rising living costs and changes to the benefits landscape which will exacerbate the situation in the City.

IMPACT ON DEMAND

All of these areas impact on the demand that is experienced in all of our services and can often result in higher support levels than experienced in other parts of Scotland. This creates a challenging environment in which to operate, managing demand within the financial constraints in which we operate, whilst transforming services and delivering on the integration agenda.



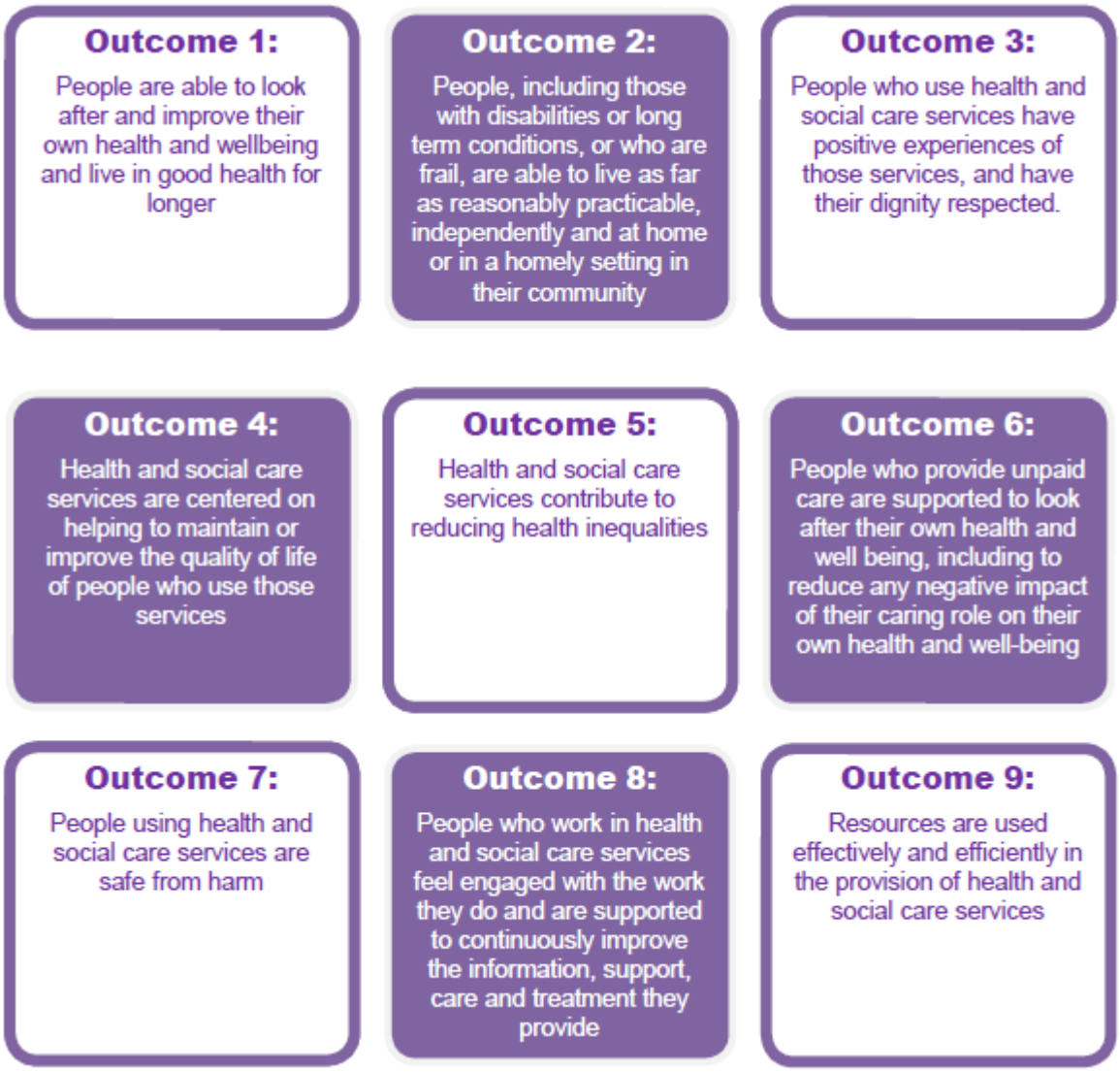
The pandemic has impacted on the ability of the HSCP and our Providers to respond to service demand during this period. Many services have been required to prioritise service delivery to emergency only, resulting in a backlog of cases which are waiting to be assessed.

As lockdown restrictions are eased recovery planning will get underway, however, it will take time to work through this recovery fully. As we emerge from the pandemic, we anticipate demand for services to increase reflecting both delays faced by service users and patients, as well as responding to the impact of Covid on the health of the City, in terms of "long Covid" but also in relation to poverty and deprivation.

The priorities of the IJB recognises that delivering 'more of the same' will not be enough to meet the challenges of rising demand, budget pressures and inequalities. Transformational change is therefore needed to the way health and social care services are planned, delivered and accessed in the City.



A range of Care Group plans have also been developed to support the delivery of the IJB's Strategic Plan and delivery of the 9 National Outcomes (shown below.) Development and delivery of these are supported by Strategic Planning Groups and appropriate planning structures within individual care groups.



OLDER PEOPLES SERVICES

The direction of travel for Older People Services in recent years has been to shift the balance of care away from traditional hospital or institutional care towards providing more support in communities so people can live independently for as long as possible in their own homes or other community based settings. The service has engaged in transformational change programmes over several years to drive more efficient use of available resources to ensure that demand continues to be met. These include amongst others, home care re-ablement, anticipatory care planning, carer support, supported living options, and technology-enabled care.

In each case the driving principles relate to maximising independence whilst minimising dependency, enabling proportionate risk rather than eliminating risk at any cost and supporting individuals to remain living at home for as long as possible.

The Maximising Independence Programme was paused from the start of March 2020 in response to the Covid pandemic. Activity resumed in June and Partners agreed that the programme should be reframed and be informed by the combined learning from the recovery planning processes throughout the system including Acute, third, independent and housing sectors. The mission statement of the programme is

"Working alongside individuals, carers, communities, local organisations and partners we are moving on from traditional ways of providing services with the intention of enabling people to live the best lives they can by sharing decision-making about their care.

Reducing inequalities in health and well-being outcomes is core to our mission, as is promoting individual resilience and minimising the unnecessary presence of formal health and care services in their lives."

At the heart of integration is the desire to shift the focus of care from hospital based services to support more people receiving community based services closer to where they live. The legislation delegated the responsibility for strategic planning of some acute hospital services to IJB's through a "Set Aside" budget to support this direction of travel.

Glasgow City IJB is currently leading on the development of a system wide commissioning plan to support the strategic planning for set aside services, known as Unscheduled Care. – The draft plan was presented to all six IJBs in 2020 and will help determine the services which require to be commissioned under the set aside arrangements and how this will shift over time. It will be used to support the strategic planning of these services by both the Health Board and the six Integrated Joint Boards across the Greater Glasgow and Clyde area. The key themes of the Plan are:

- Early intervention and prevention of admission to hospital to better support people in the community
- Improving hospital discharge and better supporting people to transfer from acute care to community supports

- Improving the primary/secondary care interface jointly with acute to better manage patient care in the most appropriate setting in line with the IJB's and NHS Board's strategic direction

In response to the Covid 19 pandemic services responded finding new and different ways of working to keep the city supported, these included

- Older People's Mental Health Services have adopted digital interface with service users, utilising Near Me and Attend Anywhere applications. Phone consultations have also been used.

- Enhanced Telecare referrals, with some exceptions, were suspended at the start of the pandemic. This obviously reduced the referral rate for non-standard telecare. Information was shared on the council's website and reinforced by telecare resource workers regarding alternative consumer-based telecare products and guidance to digitally communicate with family members using independent applications.

- The Local Area Coordination Service initiated remote working and in the early months of the pandemic completed over 1,000 support calls to present and past service users.

- Glasgow HSCP carer's services have adapted to be able to continue to support carers as key partners in care throughput the pandemic.

- Your Support Your Way Glasgow carer web pages have been updated to include online self-referral to make it easier for carers to access support and promote flu jabs for carers / Covid-19 vaccine information for unpaid carers.

- Carers were offered self-directed support which was frequently used for digital access.

- 560 carers were supported to complete emergency plans in the first 16 x weeks of the pandemic.

- Training and peer support are now being delivered online.

- Carers providing personal care were supported to access PPE.

Some core HSCP services are getting closer to the limits of their capacity. The IJB's own residential units consistently operate at or around 100% occupancy. Home care, supported living, intermediate care and other core services all report similar pressures. Acute services are now consistently experiencing very high levels of demand, reflected both in Emergency Department performance and occupancy levels.

The tolerance of the system in its current form to continue to reform to absorb the twin challenges of increasing demand and reducing resources is itself reducing, this reality will be compounded further by the impact of the Covid Pandemic and remobilisation of services. The IJB can and will continue to identify and effect any efficiency opportunities that exist under the

status quo to manage demand. However, under current trends it is prudent to forecast that this will lead over time to a steady erosion of performance across key measures as the system as currently configured reaches the limits of its capacity.

Reframing the Maximising Independence programme allows the IJB to develop a stepped change to the services which are delivered to individuals, families and communities focusing our resources and energies on prevention and early intervention, working in partnership with local community organisations, and third, independent and housing partners. This will require the IJB to support individuals, families and communities to increase independence whilst receiving better outcomes for our service users and patients.

CARE SERVICES

This has been an exceptional year for the HSCP Care at Home Services with the impact of the pandemic, particularly on the service's capacity which has been extremely challenged with absence levels reaching in excess of 42% resulting in a reduction of 39% in service capacity in March, April and May. During this period the HSCP prioritised key services such as hospital discharges, supported living, reablement and overnight home care, with those services operating at virtually normal capacity.

Our support of 11 acute hospitals in maintaining our discharge pathways has been critical during this period. This includes discharge of Covid positive patients' home, via a risk assessment approach with input from occupational therapists and the reablement service, enabling discharges to home care to be facilitated.

The service was able to still offer 4 hour/24 hour discharge, enabling 25.5% of all referrals to be discharged in 4 hours and 67.5% in 25 hours. The remaining discharges were (7.5%) up to 48 hours. As at 31 October 2020 4,186 discharges had to have been supported.

High End Care

The number of service users accessing home care on care packages higher than 23.5 hours has increased over the last 6 months, having increased from 361 in January 2020 to 413 in October 2020. This is an increase of 12.59% and is due to a number of contributing factors:

- Care at Home capacity was focussed on discharge, guaranteeing access to services within 4 hours, 7 days a week.
- A significant number of care homes in the city were closed to admissions for prolonged periods.
- Families and carers were reluctant to have a relative transferred or admitted to a care home.
- Other providers were not willing to accept Covid positive discharges.
- Delays in accessing care home places due to testing.
- Families being more engaged in the decision making and offering additional carers support.

It is anticipated that these factors will continue to impact on the delivery of high end care and the cost implications will have to be recognised within the Medium Term Financial Outlook.

Care Homes

The HSCP have 5 care homes across the city, with capacity for 550 residents, all have specialist units to support people with cognitive impairments.

Throughout our response to Covid 19, the HSCP has been focused on the critical support of our residents, given the disproportionate impact the virus has had on that population. There have been significant resources deployed to our care homes to provide a range of support from:

- Personal protective equipment
- Training and development resources, to support a wide range of new guidance and policies.
- Social distancing, infection control, risk assessment, which all have cost implications.
- Resilience planning around workforce plans which has seen additional staffing in excess of 50 new posts to support visiting, testing, absence levels, additional support to residents who require one to one care while in isolation and the filling of vacancies. The units have to use agency overtime to ensure safe levels of staffing.
- Additional requirements such as scrubs for all 1,000 staff (infection control), provision of snacks and drinks to keep staff in the building at break times.
- A range of requirements to establish weekly testing regimes across all care homes and where necessary to facilitate mass testing of residents. This takes resources and time to support families and service users in ensuring this is carried out safely and within all the clinical and infection control guidelines.

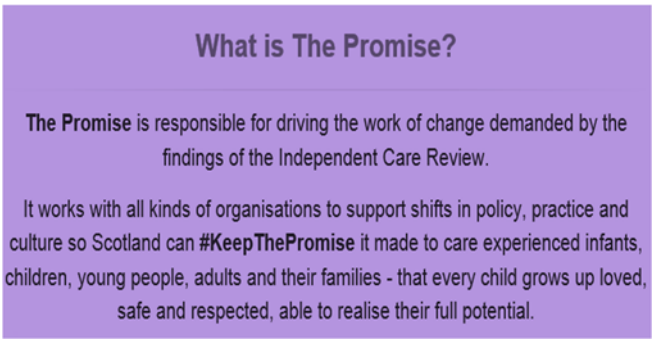
The Cabinet Secretary, the NHS and Public Health all currently direct how services will be delivered and supported in care homes. It is unlikely that any of these demands will diminish in the next year and it is anticipated that there will be further financial costs incurred in additional policies which will have to be factored into our Medium Term plan, such as:

- Visitor testing; support to families and carers
- Infection control policies
- Staff testing, currently weekly
- Additional cost of high absence due to long-Covid and work related stress.
- Annual leave roll over for social care staff
- Safe staffing in care homes (skills, knowledge and experience.)

CHILDREN'S SERVICES

Children's Services has embarked on a transformational change programme, which aligns to the policy aims of Getting It Right for Every Child, to ensure that families get the right level of support when they need it. One of the main aims of the programme is to increase the range and quality of support available to families within their homes and communities, in order to prevent children and young people from being accommodated, and to minimise the number of young people living out with the City, detached from their local community, support network and school.

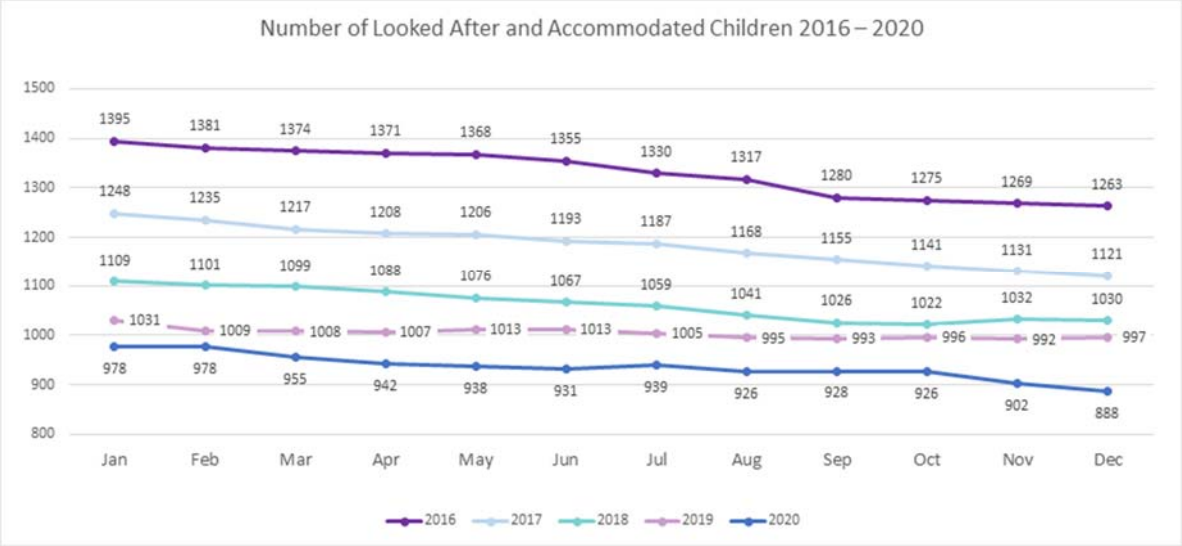
Children's Services is committed to the recommendations of The Promise, https://thepromise.scot/ and to expanding the range of early intervention approaches, and to keeping brothers and sisters together, as well as improving the quality of support offered to *whole* families, including Parents and Carers living in separate households, and extended family members.



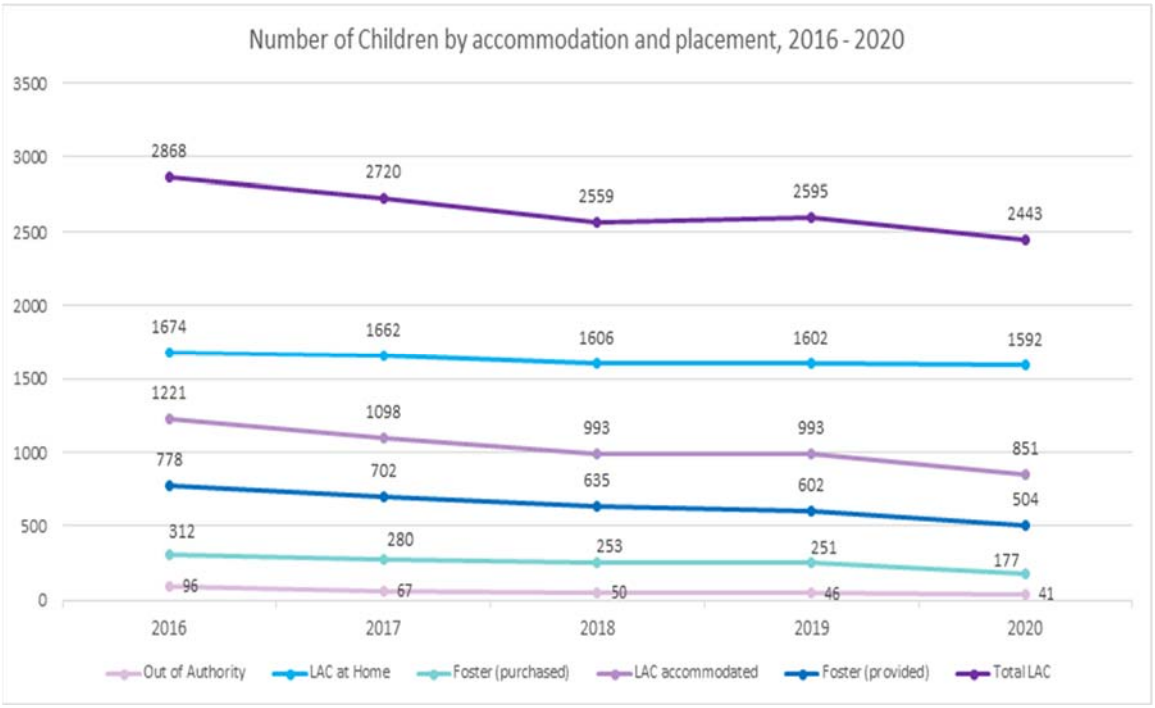
Supporting children, young people and their families in their own homes and communities is therefore a key priority and is reflected in the development of the family support tender, issued November 2020 due for award summer 2021, which aims to increase the level of preventative, community support available to families with children at risk of accommodation. Funding for family support, delivered through the third sector, has increased to £5.2million.

Children's services teams are also working towards developing a consistently, high quality approach to care practice across all HSCP services. Many staff have been involved in analysing the current system and exploring the evidence on effective approaches to supporting families. Ultimately, the objective is to support families effectively within their homes and communities, by building on family assets, using a strengths-based approach.

Measurable progress has been made and this is illustrated in the graph, which shows a downward trend in the number of looked after and accommodated children and young people in Glasgow City from 2015 to 2020.



The graph below also shows a general downward trend for all types of placements, by year from 2016:



Good progress continues to be made through the expansion in Kinship Care, Family Group Conferencing and Extended Family Network Search, which is delivering innovative and supportive options for children within their own extended family network. In spite of a hiatus in some of these services at the start of the pandemic, which have now successfully adapted their approach to service delivery, the Family Group Decision Making Programme received formal accreditation this year.

The pandemic has exacerbated the impact of poverty on children, young people and their families. Throughout the pandemic, flexible funds have been made available to provide

families with food, heating and essentials. Glasgow HSCP was also successful in its bid to Connecting Scotland and is expected to receive 1,100 iPads and Chromebooks for distribution to children, young people and their parents at the start of 2021. This will help families to adapt to the new service delivery models being developed across a range of public and voluntary services. As well as exacerbating the impact of structural inequalities, it is expected that the lockdown will have a significant effect on children and young people's mental health. Mental health was a key priority area for children and young people who participated in the consultation for the Integrated Children's Services Plan, and a proposal for improving the accessibility and alignment of mental health services was approved by the Integrated Joint Board in January 2021. Mental health supports and services will receive substantial additional funding over the next few years, with a focus on supporting families to navigate services, and to reduce delays and waiting times.

Work has been undertaken with colleagues in Education Services, funded through the Scottish Government's £2million Care Experienced Young People Fund, to achieve the shared objectives of improving the attainment and outcomes for care experienced children and young people. The Care Experience Fund has been utilised to strengthen links with education colleagues, and to promote a joined up approach for planning and supporting children and young people, as well as to support a shift towards a more strengths-based approach, which builds on young people's and families' assets. A recent test of concept within Intensive Services is focusing on developing a strengths-based, trauma-informed approach to supporting families with children at risk of accommodation, in partnership with third sector partners.

Service improvement is also focusing on addressing the needs of children with complex needs, improving neurodevelopmental pathways, and on developing a more robust range of supports for children affected by disability, particularly given the experience and learning during the pandemic. Significant work is underway to understand the range of needs of children and young people who are being referred to the Child and Adolescent Mental Health Service, and to explore the range and use of supports available to meet these needs at an earlier stage.

The HSCP continues to work with key partners to promote improved alignment across the system, to improve pathways into support for families, and to ensure that the full range of children's, young people's and families' current and emerging needs are met as early as possible. The key aim for children; services is to promote a consistently high quality strengths-based approach to meeting children, young people's and families' needs.

ADULT SERVICES

Alcohol and Drug Services

Day Service

Due to the ongoing impact of the pandemic during 2020 the alcohol and drug day services have retracted and patients who would have attended this service have been managed within the community teams.

Following these changes to the service there has been minimal impact for those using the service and the community teams have been able to provide interventions in patients own locality within a community setting. It had been planned to reopen the day service but with continued restrictions in place and risks to providing a building based service, plans are now in place to undertake a formal review of the impact of these changes and the resource required to maintain the range of treatment options required within local teams.

The review will consider what the current model provided pre COVID, alternative models and the resource implications of any new provision.

Recovery Service

The Alcohol and Drug Service moved work within the recovery community to virtual support due to the pandemic. The HSCP purchased mobile phones and iPads that are data enabled to allow service users access to support. Outreach support continued to be available for the most vulnerable across the city. The teams continue to adapt ways of working including:

- Moving to delivery of prescriptions
- In reach to hotels via the city centre outreach team
- Increased use of the Injecting Equipment Provision (IEP) van and purchase of a second vehicle

In January 2021 the Scottish Government announced a package of funding to support areas where improvements are to be delivered within alcohol and drug services where the aim is to reduce drugs deaths. The current focus of our recovery work through 2021 includes:

- Alcohol and Drug Recovery Services (ADRS) – focus on the engagement with, and retention of, service users by ensuring that each individual is appropriately reviewed with a RAG status assigned, regardless of the stage of recovery. Service users assessed as high risk and new service users continue to be prioritised for regular face to face contact and assessment, and are engaged in treatment quickly, despite restrictions. Telephone contact with all service users to monitor need, at a frequency determined by an assessment of risk.

- Medically Assisted Treatment – Work to resume the pre-COVID service as community transmission decreases and the vaccination programme is rolled out. This work will look to grow our same day prescribing services and broaden the treatment options available across the city. In the interim the current BC delivery arrangements will continue.
- Prescription Management – Current BC arrangements will continue while face to face clinics are restricted. Discussions are ongoing to include an element of remote service delivery in future service.
- Acute Addiction Liaison Service – Blended model has been adopted and will continue to operate through 2021.
- AHP and Psychology Services – These services are operating remotely with an urgent face to face provision in place. Remobilisation will be in line with community recovery plans.
- Recovery Communities – Support is currently provided online 7 days per week. As restrictions ease, face to face groups will be re-introduced, beginning with a limited number of small groups that can meet face to face, moving to full recovery cafes resuming. Recovery communities have managed to successfully engage with new people beginning their recovery via assertive outreach and online support
- Harm reduction services – a new harm reduction initiative was launched in the city centre and has engaged with people who inject drugs very successfully in Wound care, Assessment of injecting risk, Naloxone provision and Dry Blood spot testing (WAND). This will be rolled out across the city in 2021.
- A non-fatal overdose response team is currently being developed to enhance the GADRs provision out of hours, offering an immediate, assertive, outreach response to people who have suffered a non-fatal overdose and are at significant risk of drug related death, with an aim of supporting them into care and treatment services.
- EDTS continues to offer specialist treatment to people with complex needs, for whom mainstream treatment and care services have not been successful in minimising risk and engaging in OST. The outreach team focus on identifying people in the city centre who require additional support to engage in treatment.

Adult Mental Health

Changes to mental health delivery across the Health Board area were necessary during 2020 due to the impact of the pandemic. Core mental health services continued to operate ensuring continuous access to emergency and urgent care responses. This has been made possible by adapting how we deliver these services and adopting new ways of working by rolling out our use of IT and telephone consultations. Any face to face emergency and inpatient care continued to be supported where necessary utilising and adapting safe patient pathways.

Services adapted local response based on local need, staff absence and infection rates. Referrals for most services reduced through April and May and appointments including NHS Near Me and telephone contacts were 30 – 40% lower than the previous year with CMHT caseloads temporarily reduced by 10 – 20% as a result of implementing a Red, Amber, Green risk categorisation for all patients. Work to re-establish routine care for all patients is underway in both CMHTs and PCMHTs. However, this remains a challenge due to continued social distancing measures and challenges with digital technology.

A mid-point review of the five-year adult mental health strategy 2018-2023 commenced in Dec 2020 to test original assumptions, projections and information for ongoing validity with a view to reprioritising where appropriate. Themes include unscheduled care pathways following introduction of mental health assessment units, expansion of virtual patient management, remodelling of inpatient bed capacity and refreshing the development of effective and efficient community mental health services to support the shift of inpatient services into the community.

A new digital Mental Health work stream has been set up to facilitate innovation and co-ordinate and extend existing e-health provision.

Mental Health Assessment Units

Two Mental Health Assessment Units (MHAUs) were established to divert patients away from hospital Emergency Departments. They offer face to face assessment to individuals presenting in mental health crisis/distress who would have ordinarily attended accident and emergency departments.

The MHAUs will continue to operate and to date there has been positive feedback from both stakeholders and service users.

Learning Disabilities

A number of service contingency measures introduced during 2020 has had a significant impact on the change programme for Learning Disability services. The proposed timescale for the programmes to complete is now September 2021. However, some progress has been made including:

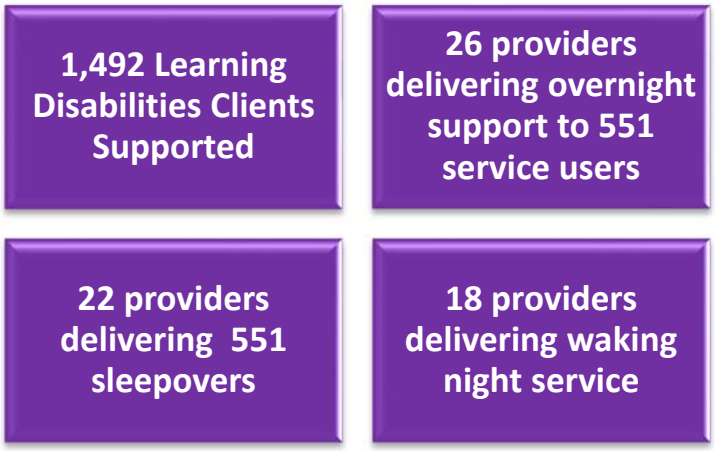
- Introduction of an integrated service manager structure with progress made towards more integrated working practices in each locality
- Agree funding in place for Technology Enabled Care and Support (TECS) and a Responder Service
- Introduction of integrated operational procedures covering referral, screening, allocation and review processes for community teas

As a result of contingency planning during the pandemic a process was introduced to jointly review health and social work caseloads in order to prioritise support to the most vulnerable and complex patients and service users. This joint approach will now be routinely adopted and will form part of the integrated operational procedures.

We are continuing to review the service models in place for overnight support to adults who are assessed as requiring this to meet the objectives of supporting people to live as safely and as independently as possible, at home or in a homely setting, in a cost effective and risk enabling way.

Earlier this year funding was approved for the Connecting Neighbourhoods test of change and these were introduced in Castlemilk and Shettleston with a view to extending to the North West of the city by spring 2021. This partnership approach will adopt a model that will share responsibilities to respond quickly to someone at home when the need arises, as a possible alternative to a sleepover service, where deemed safe and appropriate.

To date 22 service users have been assessed as potentially suitable in the two pilot areas.



LD Day care

Due to the pandemic the decision was taken to close learning disability day services. To continue support for clients who previously attended centre based supports, an outreach service was developed. To date 2 day care managers and 54 support staff have been working on this new initiative and to date we have:

- 12 Team Leaders coordinating the delivery of care, organising PPE distributions, carrying out assessments and liaising with local area teams mainly around particular concerns / needs which would prompt further assessment by social work and / or health services.
- 38 support workers delivering support in our communities

And currently we are:

- Supporting someone to have their daily exercise through walks, physiotherapy programmes
- Assisting with Attend Anywhere appointments (where required)
- Undertaking Day trips using council risk assessed vehicles
- Supporting various indoor activities (this is suspended for the moment due to Level 4 restrictions)
- Offering carer support by providing short periods of respite e.g. enabling a carer to go to the shops.
- Providing meaningful activity and stimulation to someone in their own home to benefit carers and alleviate stress.

Sexual Health

The Sexual Health Strategic Plan (2017-20) vision is that

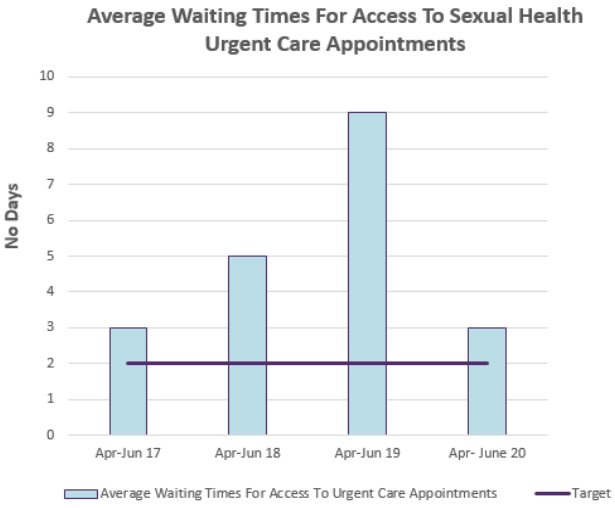
The population enjoys good and positive sexual health and wellbeing. Where people need support, care or treatment they can easily access specialist sexual health services. Our focus will be on prevention of poor sexual health, early intervention and supported self-management.

Demand for these services outstrips supply and the objectives of the Sexual Health Services Review are to

- Improve the use of existing resources and release efficiencies through service redesign, with consideration of team structures, skill mix, localities and patient pathways
- Encourage those who could be self-managing to be supported differently
- Ensure that Sandyford services are accessible and targeting the most vulnerable groups

The service planned to introduce the changes from March 2020 but due to COVID 19 this was deferred, and the service will implement the changes when services can begin to operate as normal again in 2021. As a result, and from learning as the service adapted in its response to COVID 19 the following has occurred:

- Waiting times for those who are currently prioritised by the service has improved. Urgent Care access is within its target of 2 working days.
- To allow access for patients to still receive care – online booking has been more widely used including access for young people. Telephone consultations have replaced a lot of face to face work and medications have been posted. Patients for some services are accessing video appointments – through Attend Anywhere



- Enhanced partnership working with Addictions and Homelessness services supported by Public Health colleagues
- Outreach services for Young people have recommenced and Young people only clinics have been opened

Adult Services Nursing,

<u>Investment, Leadership and Transformation of Roles</u>

To support the transformation of services and the ambition of creating a confident, competent and valued workforce there has been a reconfiguration and financial investment in the development of new clinical nursing roles within Glasgow City HSCP services.

- Within Prison Healthcare, investment in a new Nurse Consultant Role has been agreed alongside the reconfiguration of Professional Nursing Leadership roles for Alcohol Drug Recovery, Mental Health and Primary Care to support the Prison Healthcare nursing workforce, enhance the governance arrangements and the quality of care provided.

- Within Mental Health In-patient Services an investment in Advanced Nurse Practitioner roles within the Mental Health Assessment Units, Adult and Older Peoples Mental Health will support the provision of safe, effective and person centred care.

- The additional introduction of a new Nurse Consultant post for Mental Health will further support Mental Health Strategy implementation and the redesign, consolidation and improvement of current and future service models which seek to redress the balance of care and enhance choice and self-determination for individuals accessing mental health services.

- The development of a Senior Nurse, Transformation& Quality has been progressed by the HSCP and this coupled with 3 Practice Development Nursing roles dedicated to Quality will enable the further progression of Excellence in Care, Safe Staffing and the Quality Strategy to achieve safe, effective and person centred care.

- The Introduction of skill mix more widely across practice development nursing and support roles to enhance support to front line clinical nursing staff has also been achieved.

Homelessness

The Covid-19 pandemic and the associated public health measures have placed unprecedented challenges on the City's Homelessness Service which have been significantly compounded by the lack of general letting during the first five months of lockdown restrictions.

Throughout the pandemic period we have continue to receive high demand for Homelessness advice, support and emergency accommodation. For the period 23rd of March to 18th October 2020, Glasgow Homelessness Services received 4,745 new requests for Housing Option advice and information, 3,348 new homelessness applications progressed and 7,342 offers of emergency accommodation were made. Comparing to the previous year's activity this 8 month period equates to 80% of normal business.

A consequence of the Covid-19 pandemic has been an inability to resettle people out of homelessness into mainstream social housing which has created considerable pressures on front line staffing resource. As at 19th October 2020 the service had a case load of 4,907. This is a 28% increase on the caseload for 21st October 2019 which was 3,839.

To address this challenge, we have

- Repurposed city centre hotels to accommodate c600 people – projected cost to March 21 £9m

- Developed strong partnership working – including the creation of a multi-agency City Centre Risk Management Oversight Group
- Redesigned services and further developed collaborative working – homelessness addiction team (HAT) and homelessness mental health team (HMHT) working with colleagues in Sexual Health and Blood Borne Virus Teams providing outreach and different models of care resulting in an additional 160 people commencing treatment programmes
- Working with Voluntary Organisations – 570 hot meals provided daily
- Establishment of a Young Persons Team – targeting the under 25s and working with complex cases
- Working with Registered Social Landlords (RSLs) to ensure appropriate step down from hotels to be able to access accommodation appropriate to their needs within a supported environment or within a temporary or settled tenancy.

The Glasgow Rapid Rehousing Transition Plan (RRTP) was approved by the IJB in September 2019 to work with City partners to deliver a housing led approach to tackling and ending homelessness in Glasgow. The pandemic has had a significant influence on our ability to deliver on the objectives, and the emphasis is now firmly on recovery planning. The IJB agree on 5th August 2020 a realignment of RRTP spend to reflect revised priorities arising from the pandemic targeting front-line case holding capacity within the Homelessness Service with the creation of new posts, and addition resource to enhance the Housing First Team.

The tender for the Glasgow Alliance to End Homelessness was awarded in February 2020 with investment of £187m over the next 10 years. The Alliance includes

- Aspire
- Crossreach
- Loretto Care
- The Mungo Foundation
- SACRO
- Salvation Army
- Y People
- GCHSCP

This group is working to develop sustainable move-on strategies for those currently occupying City Centre Hotels and is establishing representation on all key strategic fora both nationally and locally.

The HSCP Housing First Service continues to develop and produce key results in working collaboratively with the Glasgow City's Housing First Consortium, Registered Social Landlords (RSL) and other key statutory and third sector partners, to secure tenancies with bespoke assertive outreach support for vulnerable service users experiencing multiple complex issues.

Glasgow has achieved 133 Housing First tenancies, which equates to 47% of the total 327 across the five Local Authorities who have engaged with this Programme since September 2018. The service is achieving an overall tenancy sustainment rate of 83%.

PRIMARY CARE SERVICES

Primary Care services include services provided by, among others, GPs, Dentists, Optometrists, District Nurses, Health Visitors and Physios. Within Primary Care our strategy is to enable these professionals to fulfil the role that they are uniquely qualified for and to maximise access for local people to ensure they get the right person at the right time and in the right place.

Agreed in autumn 2018 the Glasgow City Primary Care Improvement Plan (PCIP) presents a major opportunity to transform primary care by supporting GPs to operate effectively as expert medical generalists. The strategy includes enabling more support to be delivered in home and community settings and promoting greater self-management and choice to allow people to be cared for appropriately and safely in the community for longer.

The key priorities for the PCIP are as follows:

- A vaccination transformation programme (VTP) to transfer work from GPs to the HSCP for children, adults and travel
- Pharmacotherapy services with the transfer of acute, repeat prescribing and medication management to HSCP employed pharmacy support staff
- Expanding Community Treatment and Care services (CTAC) delivered by the HSCP, including phlebotomy; ear syringing' suture removal and management of minor injuries and dressings
- Delivery of urgent care with the employment of advanced practitioners providing first response for home visits and for urgent call outs.
- Additional professional roles as part of the Multi-Disciplinary Team including physiotherapists and community clinical mental health professionals to see patients as a first point of contact
- Community Links Workers to help patients navigate and engage with wider services
- Supporting the expansion and development of Multi-Disciplinary Team working and collaborative leadership in Primary Care

Recruitment is progressing to develop multi-disciplinary teams of pharmacists, nursing practitioners, nurses, mental health workers and community links workers. Developments and upgrades relating to premises is currently being scoped to provide sufficient accommodation for the expansion of multi-disciplinary teams across the city to provide integrated responses for patients strengthening links to local community services and networks and enabling clearer identification to specialist services when required.

The implementation of the PCIP has achieved the following:

- Pre-5 routine vaccinations have been moved from practices. Flu jabs for 2-5 year olds for some practices have also been piloted in community clinics and community nurses are leading flu vaccinations for over 65s who are housebound
- Extension of pharmacists and pharmacy technician support for GP practices
- Access to HSCP delivered phlebotomy services has been extended

- Additional Advanced Nurse Practitioners (ANPs) have been recruited to provide responses to urgent calls for patients in our residential care homes instead of GPs with feedback upon the quality of care from care homes very positive
- "Know who to turn to" re-direction posters and pop-ups have been delivered to GP practices, housing association and other locations used by the public
- Additional Advanced Practice Physiotherapy (APP) posts have been filled
- Additional Community Links workers have been recruited, bringing the total to 43
- The Primary Care Mental Wellbeing Model (MWM) was developed. Funding was agreed to trial a number of programmes evidenced elsewhere, alongside additional capacity building and research work. Lifelink Wellbeing and Counselling services have also been extended

Glasgow City will receive £18.8m by 2021-22 to deliver the PCIP agenda. However, the IJB has highlighted to the Scottish Government that this will not be sufficient to meet the terms of the new GMS contract, and Memorandum of Understanding, and will require difficult choices to be made about how we reduce our recruitment programme. In December 2020 the Scottish Government and the BMA issued a "Joint Letter - the GMS Contract Update for 2021-22 and Beyond". A revised MoU is also being drafted that will provide more detail on how these revised commitments will be implemented, this will potentially impact on the future direction of PCIP.

In addition, the funding challenge for primary care in Glasgow is exacerbated by the high levels of poor health outcomes and health inequalities faced by our patients and that these factors are not sufficiently taken into account by the methodology used to allocate resources to primary care. This will require the IJB to make choices and decisions on how best to allocate this money. For the purposes of the medium term financial outlook it is assumed that this programme of change will be managed within the funding provided by the Scottish Government.

During the Covid 19 pandemic the HSCP has established and run the Community Assessment Centre (CAC) at Barr Street and operated the Care Home Testing Teams from there. In addition, the established Flu Vaccination Programme, has been augmented to include more of the population as part of the pandemic response. Funding for this has been provided directly by the Scottish Government, and for the purposes of the Medium Term Plan this is assumed for any continuation of these programmes, as well as any further development in relation to the rollout of the Covid vaccine.

The review of Adult Social Care has some fundamental recommendations for how GPs are contracted and moving this to IJBs further detail is required to assess how this will impact on our budgets and how we might have to resource this.

IMPACT OF INTEGRATION SO FAR

INDICATOR		18/19	19/20	Q3 20/21
CHILDREN'S SERVICES				
	Number of Children in High Cost Placement	51	46	40
	Number of Referrals to the Healthier, Wealthier Children Service (Annual Target = 1,533)	2,590	2,515	2,296 Quarterly Target 393
	Mumps, Measles & Rubella (MMR) Vaccine Uptake	92.3%	93.2%	94.4%
ADULT SERVICES				
	Percentage of clients commencing drug or alcohol treatment within 3 weeks of referral increased by 6 percentage points to (Annual Target = 90%)	98%	98%	99%
	Number of households reassessed as homeless or potentially homeless within 12 months (Annual Target <480)	400	437	108 Q1 94 Q2
OLDER PEOPLE SERVICES				
	Percentage of service users who receive a reablement service following referral for a home care service from hospital discharge	75.8%	82.1%	78.5%
	Number of people in supported living services	842	789	759
	% of intermediate care users transferred home	25%	19%	15%

4. NATIONAL CONTEXT

IJB's continue to operate in a complex and changing environment, nationally and globally, an understanding of which is vital when reviewing the Medium Term Outlook.

POLITICAL & ECONOMIC

COVID 19 PANDEMIC

The last 12 months has brought unprecedented challenges due to the Covid 19 pandemic and this will continue into 2021-22 with its full impact is not fully known. It is clear, however, that there will be a significant impact on the health and wellbeing of our communities. The impact on both the UK and Scottish economy will underpin policy direction and funding of our services and will present a greater challenge to seek to deliver services differently to respond to the needs of our citizens more effectively and efficiently.

IMPACT OF EU WITHDRAWAL

The UK has left the EU on the 31st of January 2020 under the agreed Withdrawal Agreement. The UK and EU agreed a Trade Deal in December 2020. At the time of writing the full implications are yet to be fully realised. Net migration to Scotland is expected to reduce, in the medium term, affecting the number of working age adults, and may impact significantly on local economies and communities.

SCOTTISH PARLIAMENTARY ELECTIONS 2021 – INCLUDING FUTURE SCOTTISH REFERENDUM DEBATE

The Scottish Parliament elections are scheduled for May 2021, amidst increasing discussion about a second referendum on Scottish Independence. We will continue to monitor the impact on revenue and the funding of the Scottish Government.

IMPACT OF SCOTTISH ECONOMIC PERFORMANCE ON PUBLIC SECTOR FUNDING

The Global, UK and Scottish economy impacts on the funding available to Councils and Health Boards to deliver services. Audit Scotland recognise the Scottish Government's income is now more dependent on the economic performance of Scotland. This brings more uncertainty to budgets and in turn funding of local government and NHS services.

The Scottish Government identify 3 key factors which will determine the Scottish Budget

- **UK Government overall fiscal stance** – the block grant from the UK Government is the biggest single determinant of funding for the Scottish Budget. Determined through the Barnett formula it remains out with the control of the Scottish Government
- **UK Government tax performance** – changes in UK Government tax policy can result in UK Government tax receipts growing at a different rate from devolved tax receipts. The Scottish Budget is adjusted for the amount of tax raised per capita in Scotland

compared to the UK, if tax income in England increases faster that Scotland the Block Grant Adjustment would increase and reduce the size of the Scottish Budget

- **Scottish fiscal performance** – if Scottish tax revenue per head for devolved taxes grows faster than in the rest of the UK, through better economic performance, the Scottish budget will increase. If the Scottish Government makes tax policy decisions that increase or decrease tax revenue, these will also have a direct impact on the Scottish Budget.

FINANCIAL

It is acknowledged that medium and long term financial planning is an important tool for making well informed decisions and to effectively manage continuing financial challenges. Scottish Government funding is the main source for local government, and the medium term forecast of this is uncertain although they have committed to a move towards multi-year indicative budgeting. This issue is further compounded by the fact that the flexibility on how this is used is reducing as it may be ring fenced for national policy initiatives.

The Local Government in Scotland 2020 Overview notes that increasing need from population changes, statutory and policy requirements has meant over two thirds of council spending is on education and social care. Adjusting for inflation (in real terms) spending on Social Work, however, decreased by 1.5% between 2013/14 to 2018/19.

Health remains the biggest area of Scottish Government spending accounting for 42% of their 2018/19 budget. Based on projections, pre Covid 19 pandemic, the Scottish Government were predicting a £1.8bn shortfall in funding by 2023/24. (Source: Audit Scotland)

2018/19 budget revenue funding of Health Boards was £13.4bn an increase of 1% in real terms from the previous year and the Scottish Government has committed to increase the health budget by £2bn over the lifetime of the current parliament, an increase of just under 2% per annum in real terms between 2018/19 and 2021/22. (Source: Audit Scotland)

In May 2018, the Institute for Fiscal Studies and the Health Foundation reported that UK spending on healthcare would require to increase in real terms by an average of 3.3% per year over the next 15 years in order to maintain NHS provision at current levels, and that social care funding would require to increase by 3.9% per year to meet the needs of a population living longer and an increasing number of younger adults living with disabilities.

Glasgow City Council and Greater Glasgow and Clyde Health Board delegate budgets to the IJB to enable the IJB to fund the services which it commissions. Any changes to the Scottish Government funding which they receive is likely to impact on the level of budgets which are delegated to the IJB and the level of savings which are required to meet demand, demographic and inflationary pressures.

The Scottish Budget 2021/22 will go through the Scottish Parliament on the 9th of March. The UK Budget announcement is on the 3rd of March 2020.

LEGISLATIVE & POLICY CHANGES

IJB's operate in a complex and changing environment with legislation and policy decisions, by both UK and Scottish Government, impacting on the services delivered, and the resources available to support this. This environment has changed significantly, and will continue to, as a result of the Covid pandemic and the ongoing effect of the public health and economic impact.

(i) Local Governance Review

The Scottish Government and COSLA launched a review in December 2017 to consider how decisions are made about Scotland's public services considering how powers, responsibilities and resources are shared across national and local government and with communities. The report on the first phase of engagement with both local communities, and public sector leaders was published in May 2019, and will be used to inform the next phase of work in preparation of a Local Democracy Bill which will be introduced by 2021. The outcome of this work is likely to impact on the services provided by the IJB and the relationship with our communities in the future.

(ii) Review of Adult Social Care

The independent review reported in January 2021 with a view of reforming the delivery of adult social care taking a human rights based approach with a focus on incorporating the views of those with lived experience about what needs to change to make real and lasting improvements and will include consideration of a National Care Service. This will impact on the delivery of services and will be closely watched to understand how this will shape service provision and the direction of IJB resources.

(iii) Carers (Scotland) Act 2016

Coming into effect in April 2018 it placed a range of duties on IJB to support unpaid carers, including a Carers Strategy and having clear eligibility criteria in place. Glasgow City HSCP had put in a place both an Adults and Young Carers strategy in support of the implementation of these new duties. The Scottish Government Programme for Government, September 2020, has reiterated their commitment to Carers, announcing additional funding to be made available.

(iv) Safe and Effective Staffing

The Health and Care (Staffing) (Scotland) Bill received Royal Assent in June 2019. The Act requires Health Boards and all care providers registered with Social Care and Social Work Improvement Scotland (SCSWIS) to follow a "rigorous evidence based approach to decision making relating to staffing requirements to ensure appropriate staffing for the delivery of safe and effective care which takes account of service user health and care needs and promotes a safe environment for both service users and staff." The IJB will continue to monitor the implications of implementing the recommendations to evaluate the potential financial and operational impact going forward.

(v) Primary Care

The Scottish Government has forecast that demand for primary care services is predicted to continue to grow, and if the system does not adapt or change, there will be a net increase in costs of £1.8bn by 2023/24, driven by growth in the population, public demand and price pressures. The Scottish Government has committed to the ongoing work around the GP contract, through the increased use of multi-disciplinary teams, and will undertake an analysis of workforce data to deliver an expansion of GP numbers by 2027.

(vi) Pension Legislation – Implications for Workforce Planning

Changes to public sector pension legislation which has placed a taper on higher earners has reduced the current standard annual allowance to £10,000, and anyone who exceeds the limits can be hit with a tax bill. This has resulted in doctors reducing sessions or retiring early and potentially will have implications for workforce planning and recruitment and retention and will have to be monitored by the IJB as the situation develops to ensure service resilience.

(vii) Mental Health Strategy

As part of the Mental Health Strategy 2017-2027, Scottish Government Ministers have made a commitment to provide funding to support the employment of 800 additional mental health workers to improve access in key settings such as Accident and Emergency departments, GP practices, police station custody suites and prisons. £12m is being made available for Scotland in 2018-19 rising to £35 million in 2021-22. Some of this funding is flowing to Glasgow City and will be used to deliver on this national commitment as well as the Five Year Mental Health Strategy which has been approved for delivery within Greater Glasgow and Clyde.

(viii) Scottish Living Wage

The Scottish Living Wage is currently £9.50 and is part of a Scottish Government policy to improve people's lives and help build a fairer society. This is subject to annual review and impacts on our costs as an employer and in relation to the costs of services which we commission directly from service providers.

(ix) Regional Planning

The Scottish Governments Health and Social Care Delivery Plan and the National Clinical Strategy set out the expectations for a modern health and care system for Scotland. This includes a requirement for organisations to come together and focus on regional planning of services where appropriate. West of Scotland Health Boards are working together and connecting beyond traditional boundaries – across health and social care; across professions and disciplines; across settings; across specialties; and across organisations to build a person-centred and sustainable service that is fit for the 21st Century. Glasgow City IJB is an active partner in this process.

(x) Scottish Child Abuse Inquiry

The Scottish Child Abuse Inquiry is looking at the abuse of children in care. The inquiry was set up in October 2015 and is most likely to continue until 2021 at the

latest. The Limitation (Childhood Abuse) (Scotland) Act 2017 give victims of alleged child abuse after September 1964, which includes sexual abuse, physical abuse, physical abuse and emotional abuse, the right to pursue personal injury claims. In the September 20 Programme for Government the Scottish Government have also advised that the Redress for Survivors of (Historical Child Abuse in Care) (Scotland) Bill will establish a financial redress scheme to provide tangible recognition, acknowledgment, and apology of harm as a result of historical child abuse in residential care settings in Scotland. The financial implications of the recommendation of the inquiry and any personal injury claims continue to be monitored, however they are unable to be quantified at this time. As a result, it is difficult to make financial provision, which represents a risk for the IJB and Glasgow City Council. This will continue to be kept under review and financial provision will be made when more information becomes available.

(xi) United Nations Convention on the Rights of the Child (UNCRC)

The Scottish Government will pass this Bill to uphold the rights of all children in Scotland with all public authorities under a statutory duty not to act incompatibly with what is laid out in the Bill and ensure a proactive culture of public everyday accountability for children's rights across public services in Scotland.

5. MEDIUM TERM FINANCIAL OUTLOOK

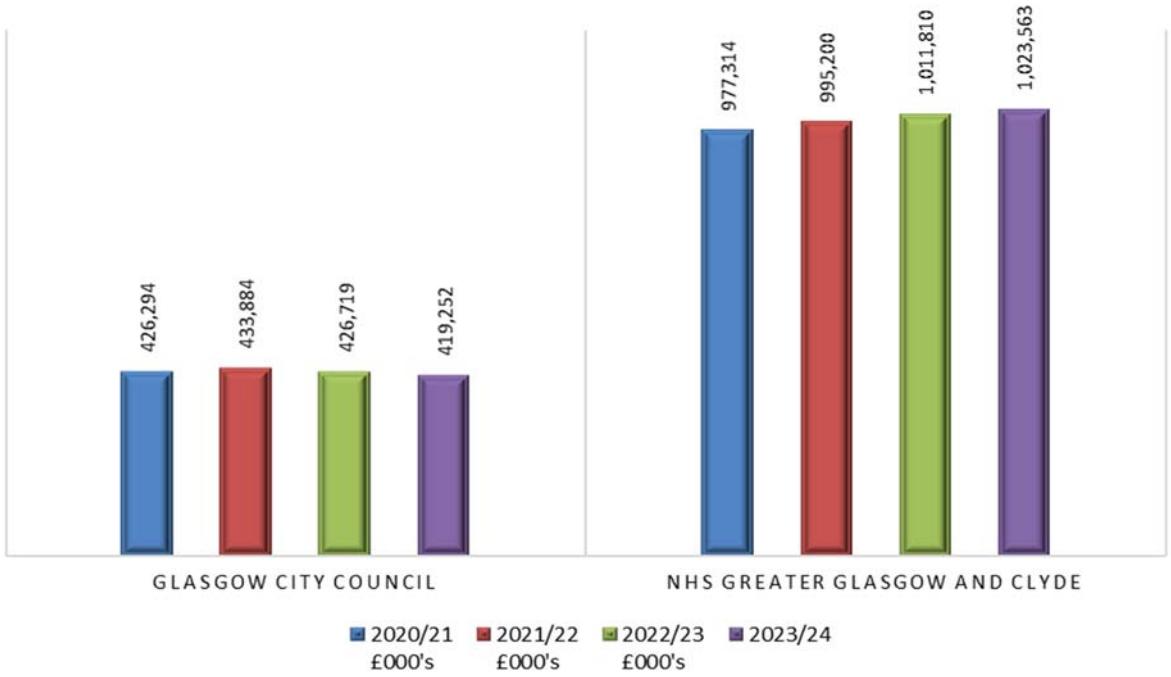
The financial position for public services continues to be challenging, a clear strategy is imperative to ensure that the IJB remains financially sustainable over the medium term. Audit Scotland[1] recognises the importance of medium and long term financial planning for making well-informed decisions aligned to strategic priorities. It also can be used as a tool to assist with effectively managing services in an environment of continuing financial challenge.

Recognising the Local and National Context highlighted in this document, this section translates this for the IJB into the financial context that it will operate in over the Medium Term, and how this should be considered throughout the decision making process.

FUNDING ESTIMATES

The two main sources of funding for the IJB is NHS Greater Glasgow and Clyde, and Glasgow City Council. This funding will be impacted by their respective financial planning and budget setting processes, and the funding settlements that they receive from the Scottish Government.

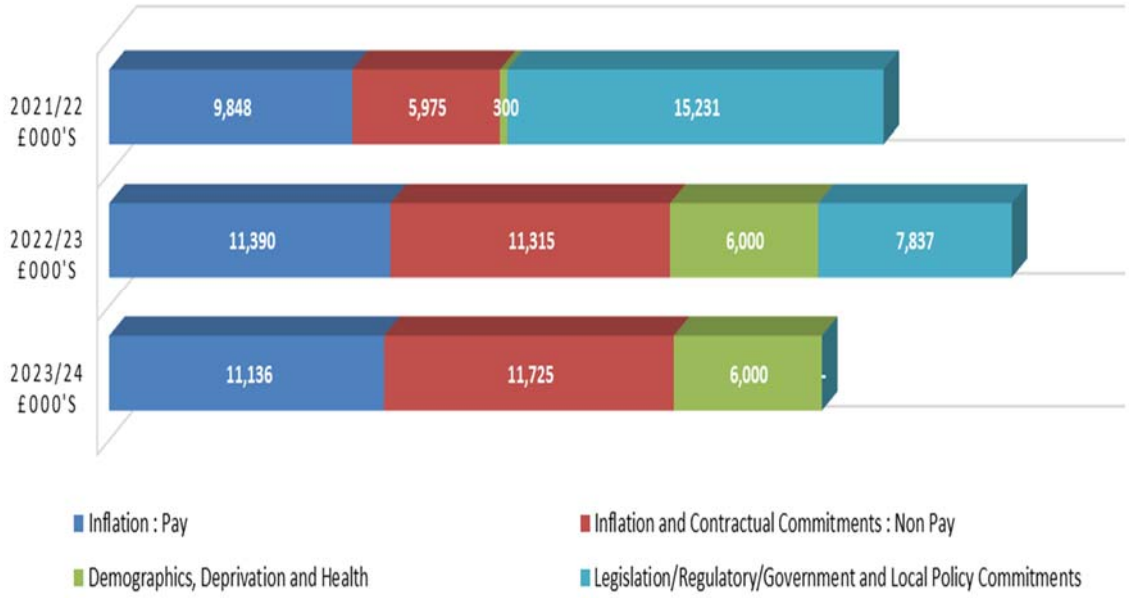
The Medium Term Financial Outlook makes assumptions about future funding contributions from Partners based on information which is currently available. Using this information, it is forecast that Health Board funding is likely to increase by £46m between 2021-22 and 2023-24, with Council funding expected to reduce by £7m over the same time period.



[1] Local government in Scotland – Overview 2020, Audit Scotland June 2020

Expenditure Requirements

The IJB will face cost pressures arising as a result of demand, inflation and changes in legislation. There is also likely to be cost pressures as a result of our on-going response to the pandemic and the future consequences on service demand as a result of the impact that the pandemic will have on health, poverty and deprivation. Evaluating the key factors likely to impact over the medium term it is estimated that the IJB will face cost and demand pressures of £97m.



The key areas are:

(i) Inflation – Pay

Employee costs represent 38% of the IJBs gross budget. Inflationary pressure in this area is a significant pressure for the IJB. The assumed increase is based on the inflationary assumptions of both partner bodies and the funding which has been made available in 2020/21. Glasgow City Council have made payment in respect of the first tranche of Equal Pay Negotiations. Work continues on the Equality Act compliant Job Evaluation scheme and pay structure. It is assumed any financial consequences arising from the settlement of the job evaluation scheme and pay structure will be fully met by Glasgow City Council.

(ii) Inflation and Contractual Commitments – Non Pay

Inflationary pressures reflect anticipated annual increases to payments to third parties and in the main reflect anticipated increases linked to contracts including the cost of prescriptions within primary care services. Current planning assumptions that non pay inflation and contractual commitments equates to an average £10m per annum over the life of the outlook.

(iii) Demographics, Deprivation & Health

This outlook has considered the local context of Glasgow City and how this impacts on demand for services. Historically services have managed this demand, through the transformation of services, which has enabled gains in productivity and effectiveness to secure delivery of more services from the money they have received. Services will continue to transform, however, it is unlikely that demand as a result of demographics, health and deprivation can be funded purely from transformation.

The pandemic has impacted on the ability of the HSCP and our providers to respond to service demand during this period. Many services have been required to prioritise service delivery to emergency only. This has resulted in a back log of cases which were waiting to be assessed during lockdown. As lockdown restrictions ease recovery planning is underway, however it will take time to work through this recovery fully. Financial settlements have restricted the additional funds available to support demographic growth in 2021-22. Some of this will be able to be managed within existing budgets as service demand starts to recover. However, there is a risk that demand could be higher than the provision made, and reserves may be required to be utilised to manage this demand.

Longer term modelling identifies the need for a 4% increase in budgets on an annual basis to reflect the likely increase in demand which is reflective of the need of the citizens of Glasgow.

(iv) Legislation/Regulatory/Government & Local Policy Commitments

The IJB is subject to legislation, regulation, government and local policy changes which can have cost implications. This includes the cost of implementing Scottish Living Wage, which in the past the Scottish Government has made a contribution to part cover the costs of implementing.

It is not anticipated that there are any significant changes to regulations which will have a significant impact on the finances of the IJB. This outlook also assumes that any new statutory or policy burdens during the lifetime of this outlook will be fully funded by the Scottish Government, although this is not guaranteed. The additional funding identified in this plan are known funding for Primary Care, Mental Health Services, Alcohol and Drug Partnership and Carers.

(v) Financial Cost of Responding to the Pandemic

There will continue to be financial implications of responding to the pandemic in 2021/22 and beyond. This outlook assumes that this will continue to be funded by the Scottish Government, as has been the case in 2020-21.

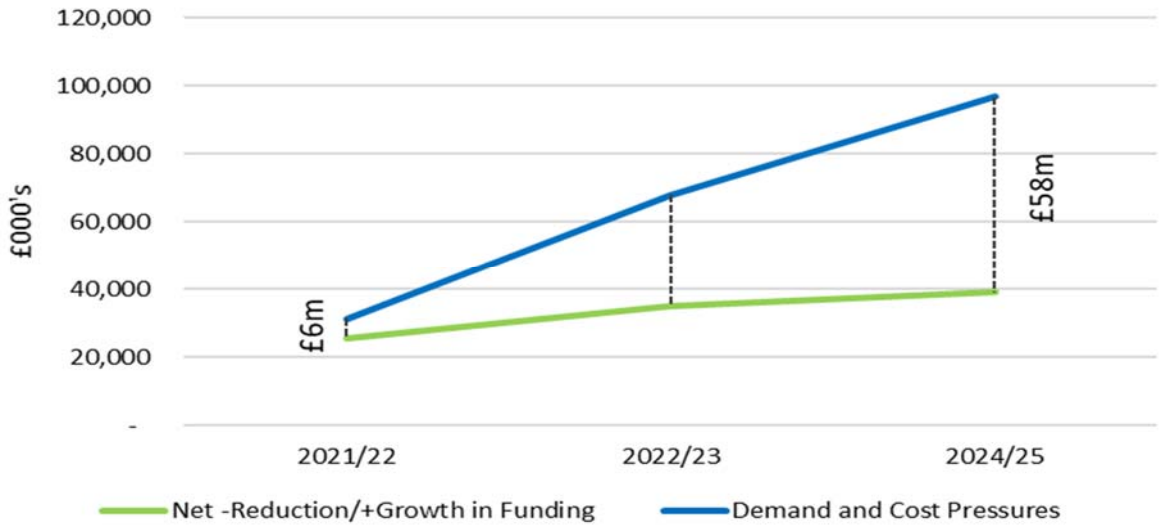
Impact of Pandemic on Transformation Programme

A number of our areas identified for transformation in 2020-21 have been impacted by the need for us to redirect resources to responding to the pandemic. In 2020-21 it is estimated that we will deliver 75% of the savings targeted for delivery as part of our transformation agenda. This delay in delivery will impact on our financial position for 2021-22 but it is also

likely to impact on our ability to deliver the transformation agenda set for 2021-22. As an IJB it is important that we continue to focus on transforming services, however it is recognised that General Reserves may be required to offer bridging finance during 2021-22 to enable delivery to be matched to when resources are available to support this.

IMPACT ON OUR FINANCIAL POSITION

This assessment provides a forecast of the financial position for the IJB over the medium term and identifies a shortfall in funding of £58m.



RESERVES

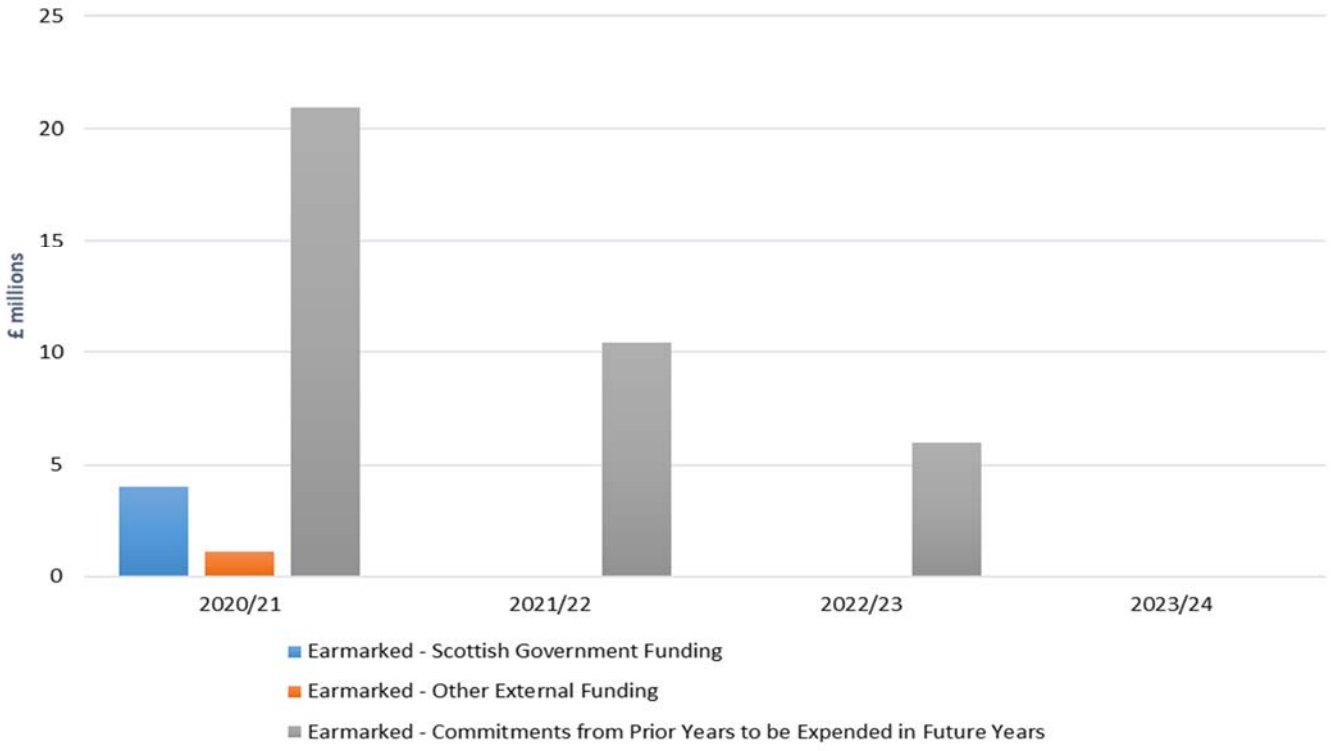
The IJB held £44.9m in reserves at the 31st March 2020 of which £31.4m is earmarked to support the future delivery of projects which span financial years and are required to enable the IJB to deliver on national outcomes. Reserves are a key component of the IJB's funding strategy. The remaining balance is general reserves which are not held to any specific liability and offer the IJB some flexibility to deal with unforeseen events or emergencies.

The IJB currently holds £13.5m in general reserves which represents 1.0% of net expenditure. The IJB Reserve Policy aims for a reserve balance of up to 2% of net expenditure.

The volatility of the drugs supply market, demand for services, BREXIT and the impact of responding to the COVID pandemic continues to represent a significant financial risk to the IJB. The current focus of the IJB continues to be the response to the COVID pandemic and service delivery during this challenging time. This represents a significant risk for the IJB both in terms of the additional costs which will be incurred in delivering the response to the outbreak in the City and the impact this will have on our ability to deliver savings as efforts are focused on our response.

In this climate this outlook recommends that general reserves are increased to 2%, to £26.7m and that this is ring-fenced from the underspend in 2020-21.

The graph below provides a forecast of when earmarked reserves are anticipated to be used over the medium term.



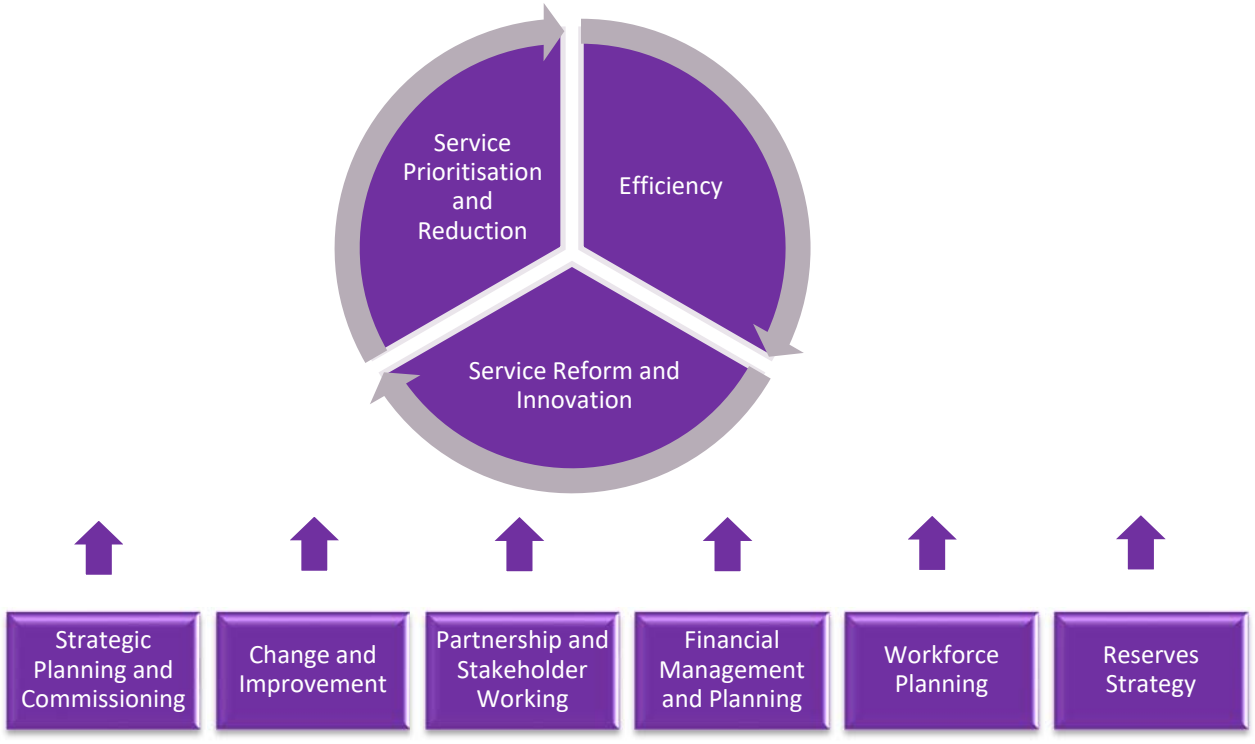
6. OUR RESPONSE

The IJB is operating in an increasingly challenging environment with funding not keeping pace with increasing demand for services and increasing costs linked to delivery. This is reflected in the Medium Term Financial Outlook, which has identified a £58m funding gap over the next three years.

Our response to the pandemic has also brought with it a number of challenges as well as opportunities to deliver services in a different way. The financial impact of implementing the required changes to services and service delivery models (e.g. to support social distancing requirements, support staff with the appropriate protective equipment and manage the new and changing levels of need and demand) is significant and likely to be ongoing and evolving.

Delivery of effective and lasting transformation of health and social care services is central to the vision of the IJB. The IJB's Strategic Plan for Health and Social Care 2019 – 2022 outlines its ambitions over the medium term and the transformation programme which supports delivery. Our ability to deliver this during a pandemic has been challenging and will require us to develop a financial strategy which will support phased delivery which reflects system capacity to deliver.

Our Medium-Term Financial Strategy has 3 core components which collectively support the transformational change required to deliver financial balance whilst delivering safe and sustainable services. This strategy is set out in the diagram below and cannot be delivered without working closely with all our partners and stakeholders to secure a future which sustainable and meets the needs of our communities. This is underpinned by strategic planning and commissioning, robust financial management, a prudent reserves policy and work force planning to ensure our resources are used in the most effective way to deliver services and deliver the vision for the IJB.



EFFICIENCY

The IJB has a statutory duty to deliver Best Value in its use of public funds and as part of this remains committed to keeping under review the cost of service delivery and the sources of income which are available to fund services. Over the Medium Term this will include maximising income opportunities, considering spend to save opportunities and keeping our cost base under review to identify opportunities for efficiencies.

In 2021/22 this will secure £2.8m of savings for the IJB, with a target of £4m and £4m set for 2022/23 and 2023/24 respectively.

SERVICE REFORM & INNOVATION

The IJB has approved transformation programmes for Adults, Older People, Children and Families Services and Primary Care and details of some of these are contained in pages 10 to 27.

On 26 June 2019 the IJB approved the development of a Maximising Independence Programme for Glasgow City which will seek to deliver a sustainable health and social care service for the City which will focus on prevention and early intervention approaches and will encourage individuals and communities to support each other. This recognises that the best health and care outcomes are associated with the highest possible levels of self-management and independence. We need to change the way we work with people to reflect the way they live now, balancing the need for care and support.

On 20 November 2019 the IJB approved £8.5m of funding to support the implementation of this programme over the next two years. This includes investment in a community investment fund to build community capacity in our localities, expansion of the rehabilitation and enablement resource and development of family support models which will build on the successful use of this within Children and Families. This programme will be delivered through working in partnership with local communities, third sector, independent sector, housing sector, community planning partners, service users and patients.

This programme will build on the learning from practice within Glasgow and elsewhere to support individuals, carers, families, communities and organisations to come together to share opportunities and decision making. This approach has been introduced in other public sector organisations and has evidenced to show that not only does it improve outcomes for the individual, it also results a more effective use of resources, with less reliance on health and social care services, which will deliver savings over the longer term.

A saving target has been applied to this work over the medium term as a result of the funding constraints on the IJB. It is recognised that this may take time to deliver and is reliant on the investment which has been identified above. This may require the IJB to use general reserves to smooth delivery and to manage the financial risk.

The IJB is clear about its overall commitment to service reform and innovation. This is not just about changing the ways in which services are structured. It is a significant change in how they

are planned and delivered. However, it is also clear that pressures within the health and social care system are increasing which will require us to think differently about how we deliver services to the population of Glasgow. In 2021/22 service reform and innovation will secure £3m of savings for the IJB, with a target of £20m and £18m set for 2022/23 and 2023/24 respectively.

This represents a challenging target and would be beyond a level which Chief Officers could support in light of the demographic and demand pressures and our ability to continue to deliver services which are safe. As a result, over the medium term the IJB will continue to engage with Partner Bodies in relation to future funding levels.

SERVICE PRIORITISATION & REDUCTION

The scale of the financial challenge will require the IJB to consider prioritising, and in some cases, reducing or stopping some services in order to live within the funding which is available.

This is an option which will only be considered where financial balance cannot be secured through the other three components. This plan recognises that a level of service reduction will be required. A target of £4m set for 2022/23 and 2023/24.

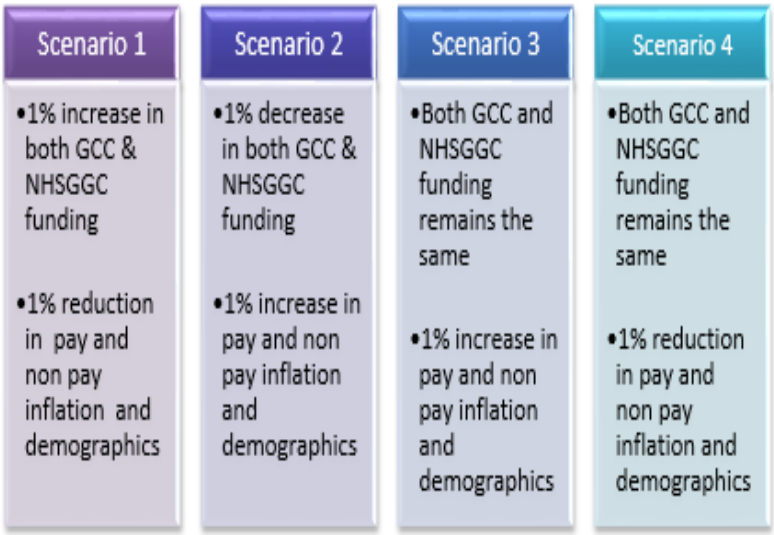
7. RISK & SENSITIVITY ANALYSIS

The medium term financial plan is a financial model and as such has risks associated with it.



As an organisation the IJB needs to be aware of these risks but should not become risk adverse when developing its future plans. The IJB recognises strategic risks through the IJB risk register. This is used to ensure significant risk is identified and effective actions implemented that reduces these risks to acceptable levels whilst securing service delivery within available resources.

Sensitivity analysis is used to test the major assumptions made by the model and understand what the implications are if assumptions change. This effectively tests "what if" scenarios and enables the IJB to determine the potential fluctuation which could exist within the modelling and will assist future planning.



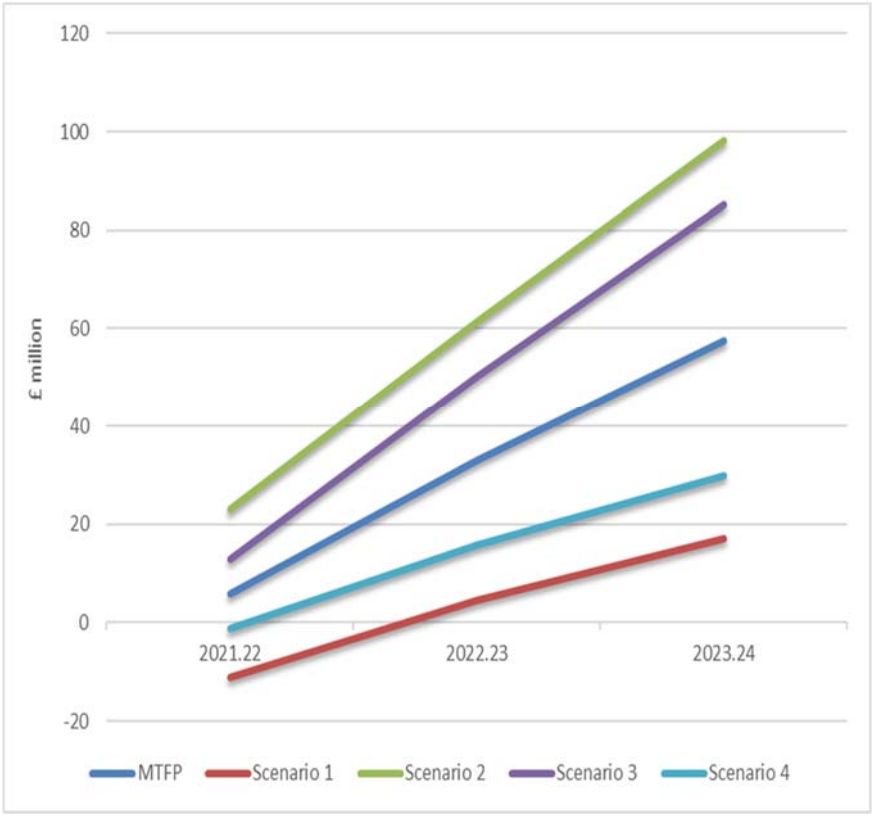
The table below show what would happen if the main assumptions increase by 1%

For example, if pay inflation was 1% higher than the assumption which have been made, this would represent an additional cost of £4.8m in 2021/22.

Sensitivity Analysis	Change in Assumption	2021/22 £000's	2022/23 £000's	2023/24 £000's
Funding from Health Board	Increase of 1%	- 5,741	- 5,586	- 5,845
Funding from the Council	Increase of 1%	- 4,263	4,339	4,267
Inflation : Pay	Increase of 1%	4,799	4,886	4,995
Inflation and Contractual Commitments : Non Pay	Increase of 1%	1,993	3,772	3,908
Demographics, Deprivation and Health	Increase of 1%	300	1,500	1,500

To understand the implication of changes in assumptions a number of scenarios have been undertaken which includes a combination of different changes in our main assumptions. The scenarios which have been considered for planning purposes are outlined below.

The impact of each of these scenarios is shown on the graph opposite.



Scenario 1 forecasts based on all our major assumptions improving with the IJB receiving more money with cost and demand pressures being less than currently forecast within the outlook. This would significantly reduce the funding gap from £58m to £17m over the next three years. The probability of this occurring is low.

Scenario 2 forecasts based on all major assumptions declining with the IJB receiving less income than assumed within the core assumptions and cost and demand increases being higher than assumed within the outlook. This would see the funding gap increase from £58m to £98m over the 3 years. This scenario is used to consider the impact if all core assumptions are worse than originally estimated.

Scenarios 3 & 4 have been used to demonstrate the impact of a mix of outcomes and shows under scenario 3 that the funding gap would increase to £85m and under scenario 4 would decrease to £30m

The scenarios demonstrate the degree of variation which can occur within the plan. The plan is based on the best assumptions available at this time. However, it is important that this is kept under review as part of the IJB's annual budget setting process and updated to reflect the latest information to refine the plan annually.

APPENDIX ONE

	2021/22 £000's	2022/23 £000's	2023/24 £000's
Children and Families	159,564	163,981	167,548
Adult Services	255,194	262,799	269,904
Older People Services	277,363	289,694	299,029
Resources	162,003	168,466	171,374
Criminal Justice	- 533	- 258	23
Prescribing	131,231	136,480	141,940
Family Health Services	208,958	208,958	208,958
Other Primary Care	15,199	15,399	15,605
Set-aside	225,983	225,983	225,983
Total	**1,434,962**	**1,471,503**	**1,500,364**
Funding			
Glasgow City Council	433,884	426,719	419,252
NHS Greater Glasgow and Clyde	995,200	1,011,810	1,023,500
Total	**1,429,083**	**1,438,529**	**1,442,753**
Funding Gap	**5,879**	**32,974**	**57,612**

APPENDIX TWO

	2019/20 Proposed Saving £000's	2020/21 Target £000's	2021/22 Target £000's
Efficiency			
Turnover Savings	1,000	-	-
Savings - Alcohol and Drug Recovery Service - Locality Services - Efficiency Savings	250	-	-
Savings - Sexual Health - Efficiency Savings	50	-	-
Savings - Police Custody - Efficiency Savings	100	-	-
Savings - Addictions - Efficiency Savings	50	-	-
Savings - Homeless Service - Efficiency Savings	750	-	-
Savings - Health Improvement - Vacant Posts and Release of Funds from Progra	100	-	-
Savings - Purchased Intermediate Care - Reduction in Contract	500	-	-
Savings - Resources - Efficiencies Across A Number of Teams	52	-	-
Efficiency : Total	**2,852**	**3,000**	**3,000**
Service Reform and Innovation			
Savings - Maximising Independence - Children	2,100	-	-
Savings - Treatment Foster Care	90	-	-
Savings - Alcohol and Drug Recovery Services - Day Service Review	171	-	-
Savings - Transformation Programme Integrated Alchohol Drug Crisis Service	400	-	-
Savings - Homeless and Asylum Health Service - Service Redesign	92	-	-
Savings - Maximising Independence - Adult and Older People	174	-	-
Service Reform and Innovation : Total	**3,027**	**20,095**	**17,638**
Service Prioritisation and Reduction			
Service Prioritisation and Reduction : Total	**-**	**4,000**	**4,000**
Total Savings	**5,879**	**27,095**	**24,638**