

Subject: **Covid-19 – Finance Mobilisation Plan Impact**

Purpose: To provide the IJB with an update on the estimated financial impact of Covid-19.

Recommendation: That the Integration Joint Board:

- (a) notes the estimated cost impact of Covid-19 to March 2021 of £7.2m based on current assumptions and plans;
- (b) notes the financial risks faced by the IJB for 2020-21 until such time as funding is confirmed;
- (c) agrees to receive a follow-up report at the August IJB meeting, this will include the projected Q1 financial position, scenarios for funding and possible options for financial recovery.

Glossary of Terms	
NHS AA	NHS Ayrshire and Arran
NAC	North Ayrshire Council
HSCP	Health and Social Care Partnership
COSLA	Convention of Scottish Local Authorities
PPE	Personal Protective Equipment
NSS	National Services Scotland

1.	EXECUTIVE SUMMARY
1.1	The impact of the Covid-19 response presents a significant financial risk to the IJB. From the outset of the pandemic the HSCP acted very swiftly to respond and developed a mobilisation plan detailing the additional activities to support our response, alongside the estimated financial impact. Financial returns have been submitted to the Scottish Government on a regular basis, on the premise that any additional costs aligned to mobilisation plans would be fully funded.
1.2	The IJB Chief Finance Officers have been working with Scottish Government colleagues to ascertain the projected costs for IJBs across Scotland, these have been submitted on a regular basis to the Scottish Government alongside NHS Board returns. The most recent submission in June 2020 highlighted that the total estimated cost of the Health and Social Care response is £1.354bn, with £488m of that relating to services delegated to IJBs. Currently in the Scottish Government budget plans there is £780m set aside for the Health and Social Care response.

1.3	The most recent cost return for North Ayrshire HSCP covering plans to 31 March 2021 was submitted on 22 June 2020, this outlined that for North Ayrshire HSCP the response is estimated to cost £7.255m for the duration of 2020-21. The costs remain estimates as the situation continually evolves and there have been several iterations of the financial plan. The majority of the additional costs for the HSCP relate to the provision of social care services (£5.9m) and the most significant areas are PPE, additional staff costs for staff absence and student nurses, loss of income due to closed services, additional care home placements, payments to commissioned care providers to ensure future sustainability and the impact on our approved savings programme.
1.4	The IJB has received an interim funding allocation share of £50m to address immediate social care pressures, however this is not sufficient to fund all of our highlighted pressures. There is a significant risk of insufficient funding being allocated to fund the resultant costs from Covid-19. The current plans nationally exceed the funding available for the Health and Social Care response. It is not clear how this gap will be filled, be it through an expectation that cost estimates will decrease, further funding will be allocated, or resources will be re-prioritised from elsewhere (by Scottish Government or local areas). A number of benchmarking groups have been set up to understand and explain the significant variation in the across areas and costs included in local mobilisation plans to give the Scottish Government confidence and assurance over cost estimates before further funding will be released.
1.5	The financial position moving into 2020-21 for the IJB was a positive one, with a one-year balanced budget for 2020-21 approved on 19 March 2020 reflecting the progress made by the HSCP to address financial pressures during 2019-20 to move into the new financial year in a sustainable position. The IJB will require to re-visit the budget for 2020-21, as this was approved just prior to the pandemic and lock down, some of the plans and timescales in the balanced budget are clearly no longer realistic nor deliverable. There is also the risk that if the full cost of the Covid-19 response is not funded that the IJB may require to recover any overspend in-year, this also impacts on the affordability of the planned instalment of debt repayment to the Council.
1.6	The next HSCP submission is due with Scottish Government on 27 July 2020, this submission will be a more reliable estimate of costs as will better reflect the sustainability payments being made to commissioned care providers and this picture will be clearer across Scotland. By that point we will also have worked through the period 3 financial position and projections and will have an early year-end financial projection for the IJB. A follow up report will be presented to the IJB in August outlining the updated cost estimates, the financial year-end projections and any potential funding gap based on scenarios re Covid-19 funding. This report will also consider any action the IJB may require to take to recover the financial position in-year.
2.	BACKGROUND
2.1	The latest assessment of costs covers the period to 31 March 2021 and includes costs associated with the response along with recovery and renewal activities in accordance with the Scottish Government Route Map out of lock down. From a North Ayrshire HSCP perspective, the most recent finance mobilisation plan was submitted on 22 June 2020, the total estimated cost included in the return is £7.255m.

2.2 Mobilisation Plan Costs

The mobilisation plan submission is included as Appendix 1. The main areas of cost are summarised below:

Service Area	£m
Payments to Providers	1.648
Personal Protective Equipment (PPE)	1.628
Savings Delays	1.508
Nursing – Students and Bank Staff	0.848
Care at Home Capacity	0.669
Loss of Income	0.442
Staff Cover	0.425
Care Home Beds – Delayed Discharges	0.396
Other costs	0.221
Offsetting cost reductions	-0.530
TOTAL	7.255
Health Services	1.315
Social Care Services	5.940

We have set up the financial ledger systems to capture and identify these costs separately in both the NHS and Council systems to ensure we can keep a track of costs and provide the evidence of spend required to support our mobilisation plan submissions.

Payments to Providers (£1.6m)

COSLA agreed national guidance for commissioners during Covid-19 and this was supplemented with additional national principles for sustainability payments for social care providers. The guidance, which informed our own guidance and approach for North Ayrshire is geared towards ensuring the social care sector remains sustainable during the emergency response but also so that resources are allocated to the areas of greatest need without any duplication from other national supports or reliefs available. The principles for sustainability payments are currently in place until the end of July and are being reviewed to consider if these are to cease at the end of July or continue for a longer period.

The main areas of these principles which impact on the additional support and financial cost are:

- Care Home Occupancy payments are being made to care homes where the National Care Home Contract (NCHC) is in place, the principles set out that we will pay 80% of the NCHC rate to compensate for occupancy less than the average three months prior to 23rd March 2020;
- The Social Care Support Fund sets out that all employers should ensure social care staff are paid their normal pay where they are absent due to Covid-19, this fund is being administered by HSCPs on behalf of the Scottish Government as part of the principles. This fund will remain in place for the duration of the Covid legislation currently until September 2020;

- Providers will experience additional costs, most commonly increased staffing costs, sickness absence, infection control and PPE and we are required to reimburse providers for the increase in these costs where appropriate evidence is provided.

The process of receiving and assessing sustainability payment claims has created a great deal of work to liaise with providers and assess claims, not only for North Ayrshire but also nationally. The process requires an open book approach by providers and they are also required to sign a declaration for all claims to ensure the funds are used appropriately and that follow-up to recover any funds used inappropriately can be carried out afterwards.

In most areas the costs of supporting commissioned providers remains an estimate and will not be known in full until all claims are submitted and until a decision is taken on when the sustainability payment arrangements will end.

Personal Protective Equipment (PPE) (£1.6m)

We have faced an unprecedented increase in demand for PPE, there have been huge challenges both in with the supply and rising costs of supplies. The guidance on the use of PPE has continually evolved and as we have moved through the pandemic the volume of PPE required has increased. There are different arrangements in place for the sourcing, purchase and delivery of PPE for the North Ayrshire HSCP. For Health services the stock is supplied directly from the NHS NSS National Distribution Centre free of charge. For social care services there is a separate PPE Hub and a Memorandum of Understanding (MoU) in place which outlines that business as usual is that care providers (including the HSCP) source their own stock of PPE.

The HSCP are currently sourcing around 85% - 95% of our social care PPE supply with the remainder coming from the NSS top up supply. Our average weekly requirement, for our directly provided social care services is summarised below:

Details / Description	Weekly Unit Requirement
Face Masks	42,625
Hand Sanitiser (litres)	78
Gloves	156,300
Aprons	77,500
Eye protection (Goggles and Visors)	500
Clinical Wipes	1,250
Clinical Waste Bags	42,625

As at the 18 June the HSCP had placed orders totalling £0.912m for PPE supplies, in the current mobilisation plan return there is an assumption that later in the year as we move through the Routemap that both the supply and price of PPE will stabilise, however there is a significant risk of this assumption.

HSCPs were asked to submit more detailed PPE returns to the Scottish Government by 1 June, this included detailed listings of supplies procured, including cost, volume and named suppliers. This information facilitated a comparison between the cost of locally procured and centrally distributed PPE, the findings demonstrated that locally HSCPs are paying more for PPE, in particular for masks on average HSCPs are currently paying more than twice the cost than the NSS National Distribution Hub.

A business case is being developed by the NHS Scotland PPE Director to determine the longer-term supply and distribution of social care PPE, this may change the future costs in the mobilisation plan depending on which approach is agreed. PPE costs pose a significant financial risk as it is likely that the use of PPE will remain as part of business as usual for some time to come. North Ayrshire are also one of the areas with the highest level of PPE in the mobilisation plan returns due to the level of services delivered in-house, in many other areas the cost of PPE will be subsumed into sustainability payments for commissioned care providers.

Savings Delays (£1.5m)

The total savings requirement for 2020-21 to balance the budget was £3.9m and the IJB approved plans in March 2020 to deliver on this requirement. It has been recognised that the Covid-19 response has led to delays in savings delivered due to restrictions placed on services, for example in moving individuals into different care settings and also the restricted capacity of front line services to deliver on service change when focussing on the pandemic response.

The finance mobilisation plan includes a high level estimate to the end of the year of the delays and timescales for delivering the savings later in the year, assuming that more progress with delivering savings can be achieved from October onwards.

The main areas of delays are noted below:

- Children's Residential Placements – assume 50% of savings delayed due to less movement of placements and risk of in-house services having reduced capacity to bring children back from outwith area
- Adoption Allowances – work not progressed to reduce allowances and would not want to risk financial hardship
- Community Support Children's Care Packages – tender process and development of Framework contract timescales delayed
- Learning Disability Sleepover Provision – unable to remove support at this time due to range of alternatives limited
- LD and Older People's Day Services – services currently closed, savings delayed but will be looked at as part of re-mobilisation
- Trindlemoss – delays to moving individuals into tenancies and also to the opening of the Complex Care Unit
- Supported Accommodation – delays with opening of the first supported accommodation site (Watt Court, Dalry)
- Adult Community Supports – savings related to the new framework contract delayed as the implementation of CM2000 was postponed at the start of the pandemic
- Charging Policy inflationary increase – ceased all charges apart from Community Alarm and Care Home fees.

The HSCP Transformation Board will meet to refresh the Transformation Plan to get the savings programmes back on line as part of service re-mobilisation.

Nursing – Students and Bank Staff (£0.8m)

A number of student nurses were offered short term contracts across Health Services to support the Covid response, this was co-ordinated by NES on behalf of Health Boards. The costs of the short term contracts are included in NHS Board and HSCP finance mobilisation plan returns.

Students on their final year were offered Band 4 positions and will remain in those until the end of September, thereafter they will require to be slotted into vacancies within the NHS Board and our Lead Nurse is co-ordinating this for North Ayrshire to ensure we can align this with vacant posts and maximise the opportunity of having the new students recruited in advance. A number of other students on their penultimate year of studies were offered Band 3 positions and will remain in those until the end of August when they will return to their studies.

A summary of the North HSCP students is below:

North Covid-19 Student Nurses							
Staff Group	Start Date	Apr/May	June	July	August	Sept	Example location
Band 3 Care Of Elderly Nrsg	27-Apr	5,130	5,130	5,130	5,130		DG & Redburn
Band 3 Mental Health Nursing	27-Apr	45,612	45,612	45,612	45,612		Ward 2/3/4/5/9/7a/Clonbeith, Jura
Band 4 Care Of Elderly Nrsg	13-Apr	28,033	17,520	17,520	17,520	17,520	DG & Redburn, Ward 1/2
Band 4 District Nursing Serv	13-Apr	31,004	19,377	19,377	19,377	19,377	DN Teams
Band 4 General Acute Nursing	13-Apr	8,007	5,005	5,005	5,005	5,005	Ward 11
Band 4 Mental Health Nursing	13-Apr	60,483	37,802	37,802	37,802	37,802	Ward 4/5/7B
		178,268	130,446	130,446	130,446	79,704	AIN104

In addition, there has been an increased demand on the nursing bank to cover shifts for inpatient wards due to staff absence related to Covid, these costs are also reflected on the submission. It is assumed that this position will stabilise back to pre-Covid levels by the end of August.

These nursing costs primarily relate to Mental Health wards which are part of the North Lead Partnership services for the Ayrshire HSCPs.

Care at Home Capacity (£0.7m)

Additional costs for the in-house care at home service to ensure service can continue to recruit and grow to ensure capacity to sustain delayed discharge performance, this will ensure that new care packages can be put in place despite the staff absence levels. There have been increased demands for care at home services due to more individuals and their families choosing to be cared for in their own home.

The 2020-21 budget included a net investment in the Care at Home Service, funded from a budget re-alignment across Health and Community Care. The current mobilisation plan costings assume an additional 10% increase in provision of the service until the end of September when this will reduce until the year-end. Further work is required on this assumption and this will be undertaken alongside the period 3 review of projections. A further update on care at home capacity, care packages, waiting lists and future plans for recruitment will be provided as part of this. These cost estimates may change following this review.

Loss of Income (£0.4m)

Respite and day services required to close at lock-down and these are both chargeable services. In addition, suspended all social care charges with the exception of Care Homes and Community Alarms early into lockdown. This was on the basis we expected there to be rapid changes to care packages, that individuals would potentially face financial hardship and also the potential for us to not be in a position to invoice accurately which would create anxiety for service users and additional work for teams.

We have continued to charge for community alarms because we didn't expect individuals to stop using the service because of lock down, the charge is smaller and isn't means tested so we wouldn't expect the same impact re financial hardship. We were also trying to minimise the financial cost to us in terms of lost income. We have also continued to charge for residential care.

The charges are currently suspended indefinitely but we will need to bring them back on line soon, probably in line with when the sustainability principles for commissioned providers come to an end, they currently run up until the end of July and are currently being reviewed by COSLA and SG. The current mobilisation plan return assumes a loss of income until the end of August.

Staff Cover (£0.4m)

Social care staff cover costs in relation to covering for staff who are shielding or have been unable to work due to Covid related absence are recorded separately. This is mainly for Care at Home and our Children's Houses, as for many other services staff absences do not require to be covered for relatively short periods of time and it is also not feasible or critical to identify and provide cover. The levels of cover have been fairly static since the start of the pandemic, it is assumed that the absence levels will improve from October onwards, but this position will need to be kept under review and will be updated in the mobilisation plan to reflect actual costs as they are incurred.

Care Home Beds – Delayed Discharges (£0.4m)

An early focus was placed on reducing delayed discharge at a national level by the Scottish Government and also locally within the HSCP in order to minimise the pressure on the Health and Social Care system in preparation for increased admissions to hospital. At 4 March North Ayrshire had 78 individuals within hospital sites who were recorded as Delayed Discharges, there were 32 care home placements approved as part of this and the cost of these placements has been included on the mobilisation plan. These are costed to Covid-19 on the basis that whilst we would have required to fund the places in the future under normal circumstances the financial constraints would have delayed the placements, the costs are included until August on the basis that the placements would have required to be funded thereafter. We have not included the cost of any further services to maintain the delayed discharge performance on the basis that the additional Care at Home capacity and also an overall reduction in Care Home placements would ensure no immediate financial barriers to hospital discharge.

The Anam Cara respite facility has been used as a temporary step-down facility from hospital during the period, facilitating hospital discharge while community packages are put in place. Apart from the shortfall of income from respite services closing this facility has been cost-neutral during the period as the staff group have supported the alternative service model.

Other Costs (£0.2m)

Other smaller costs include equipment and resources, security costs for PPE and larger equipment purchases to prepare surge capacity sites, which have not required to be brought into use.

Offsetting Cost Reductions (-£0.5m)

There were £4m of service pressures funded as part of the 2020-21 budget, some of those were unavoidable costs that would be incurred without any action by services, eg inflationary cost increases, however others were service developments or plans which would require services to take action to commit resources and there has been some slippage in committing this funding. The main areas are noted below:

- Transition Cases for Mental Health and Learning Disability clients, while some individuals have moved on to Adult services during the period and have had packages of care put in place there has been slippage in timescales for some of the higher cost packages, these delays are only expected to have been for 3 months
- AHP Speech and Language Therapy investment, short term recruitment delays
- Unscheduled Care Investment, £0.5m was set aside to be invested in line with plans to develop Set Aside arrangements with acute services, this funding was not committed on the basis that further detail on the plans on the use of this resource would be shared with the IJB prior to any commitments being made.

The current estimates assume slippage in the pressure funding for the first 6 months of the financial year, this will require to be reviewed alongside the overall financial position and the ability to commit pressure funding later in the year if the Covid-19 costs are not fully funded.

There is an expectation that we will look across the IJB budget and identify all areas where there are offsetting reductions in spend that could reduce the overall cost of the Covid-19 response. Any further offsetting areas will be picked up as we undertake the detailed period 3 budget monitoring review and will be reported in the next update to the IJB in August.

2.3 **Funding**

At the outset of the pandemic there was an assurance that subject to any additional expenditure being fully aligned to local mobilisation plans, including the IJB responses, reasonable funding requirements will be supported. This was on the basis that a process would be developed for these to be accurately and immediately recorded and shared with the Scottish Government. The basis of this reporting was drawn up and agreed with COSLA and Health and Social Care Partnerships.

On 12 May 2020 the Scottish Government thanked Partnerships for continued engagement in developing HSCP mobilisation plans and supporting due diligence but recognised at that time that further work is required across Partnerships to fully understand the financial implications of responding to Covid-19. We received confirmation of initial funding of £50 million, particularly to support immediate challenges in the social care sector. This interim funding was released to support sustainability across the sector and the ongoing provision of social care, while further work is undertaken to provide the necessary assurance for further allocations of funding to support additional costs.

The share of this allocation is £1.339m for North Ayrshire. Whilst the allocation is welcomed to support cash flow for Local Government and provides some assurance that funding will be released, this is clearly not sufficient to fund all of our highlighted pressures and there remains a significant gap. No further funding allocation has been released from the Scottish Government since the £50m.

There is a significant risk of insufficient funding being allocated to fund the resultant costs from Covid-19. The current plans nationally exceed the funding available for the Health and Social Care response. It is not clear how this gap will be filled, be it through an expectation that cost estimates will decrease, further funding will be allocated, or resources will be re-prioritised from elsewhere (by Scottish Government or local areas). The most recent submission in June 2020 highlighted that the total estimated cost of the Health and Social Care response is £1.354bn, with £488m of that relating to services delegated to IJBs. Currently in the Scottish Government budget plans there is £780m set aside for the Health and Social Care response.

National Benchmarking

A number of benchmarking groups have been set up to understand and explain the significant variation across areas in terms of the estimated costs included in local mobilisation plans to give the Scottish Government confidence and assurance over cost estimates before further funding will be released.

North Ayrshire is represented at the National HSCP Benchmarking group, the group is chaired by the Director of Delivery of Health and Social Care Integration at the Scottish Government and includes representation from IJB CFOs, Local Government and Health Board Directors of Finance, COSLA and the Scottish Government Health Finance directorate.

The group has met a number of times and reviewed the national position for HSCP submissions, to provide some re-assurance and challenge to outlying areas. In many cases where there are variations in costs, both the type and scale, there are reasons for this in terms of how services are configured or delivered locally and the baseline capacity available. The group has achieved a consistency over the period in how the returns are being submitted to ensure a national comparison can be made and have also determined where further returns or more detailed information is required to support or evidence costs.

The benchmarking group has been useful to identify areas of focus where further work has been required to understand costs, including PPE, Community Hubs, Student Nursing, Social Care Sustainability Payments and Hospices. Having assurance over the costs in mobilisation plans in terms of their reliability will support further funding being released by the Scottish Government. The areas which the group intend to focus on next are offsetting cost reductions, delayed savings and the updated cash flow position in relation to sustainability payments to commissioned providers.

Next Steps

The next iteration of the HSCP finance mobilisation plan return is to be submitted by 27 July. It is expected that this submission will provide a clearer national position in relation to social care sustainability payments to providers and also for the cash payments made between April to June. It is hoped that following this submission a further release of funds will be forthcoming from the Scottish Government, however the timescales for this have not been confirmed.

NHS Boards are not required to submit an updated mobilisation plan return and will instead revert to their regular finance reporting to Scottish Government in July, the reporting requirements and timescales are set out below:

	<ul style="list-style-type: none"> • 17 July - initial reporting on period 1 and 2. This will allow a consolidation of the financial position for the first two months of the year, initial Covid-19 allocations for 2020-21 will be considered based on these returns, for allocation in the next funding letter • 31 July – NHS Board mobilisation plans for August to March 2021 due • 14 August – initial Quarter 1 reviews • End August – routine Financial Performance Reporting recommences • September – finalise Quarter 1 reviews and finalising of funding allocations <p>The Health costs associated with the Covid-19 response for the HSCPs will be incorporated into the NHS Ayrshire & Arran financial returns, however it is not clear how any funding will be allocated to NHS Boards in respect of IJB delegated services.</p> <p>There is a significant risk that there will be further delays in further funding being allocated to IJBs and that this could potentially not be until September until the Scottish Government consider returns from HSCPs and NHS Boards. There is then a risk that at that time there remains insufficient funding to fully fund the response and that local areas will require to put plans in place to recover the financial position in-year.</p> <p>Currently in the Scottish Government budget plans there is £780m set aside for the Health and Social Care response to Covid-19 with current estimated costs in excess of £1.3 billion.</p>
2.4	<p>Pan-Ayrshire Position</p> <p>The North HSCP return only includes costs for services delegated to the IJB to deliver, all local authority costs are captured separately on a return co-ordinated by COSLA. The HSCP returns are submitted to the Scottish Government alongside NHS Board returns. For delegated Health services, across the Ayrshire HSCPs we have agreed to submit costs to the Scottish Government on a managed basis, i.e. we include all costs in relation to Mental Health services, East for Primary Care and Family Health Services and South for the Community Equipment store.</p> <p>The total estimated costs for the 3 Ayrshire HSCPs is £25.027m, with the breakdown below:</p> <ul style="list-style-type: none"> • North £7.255m – includes student nurses in Mental Health and LD inpatient wards; • East £12.076m – includes Community Hubs, Family Health Services (inc GP, pharmacy); • South £5.697m – includes the Joint Equipment Store. <p>Potentially an exercise will be required at a later stage to re-allocate costs and funding to the 3 IJB areas, this will have a greater impact particularly if the Covid-19 response is not fully funded and will increase the level of financial recovery from other areas.</p>
2.5	<p>Financial Risks</p> <p>There are a number of financial risks related to the Covid-19 response for North Ayrshire IJB including:</p> <ul style="list-style-type: none"> • Delays in funding being confirmed result in the IJB considering balancing the budget on the basis of funding assumptions in the absence of a confirmed funding allocation;

	<ul style="list-style-type: none"> • Scottish Government funding is not sufficient to fully fund the response and there is a shortfall in funding when allocated; • Risk that financial position cannot be recovered in-year and the IJB overspend and add to the debt owed to North Ayrshire Council; • Further uncertainty of funding for pressures which may continue beyond 2020-21, including for example PPE; • Currently provider Sustainability Payment Principles are due to cease at the end of July, this may be extended beyond this date, and there is also an ongoing responsibility for HSCPs to ensure the sustainability of the social care sector; • Financial position from 2021-22 onwards and the impact on public sector funding and the future funding of Health and Social Care services. <p>A follow up report will be presented to the IJB in August outlining the updated cost estimates, the financial year-end projections and any potential funding gap based on scenarios re Covid-19 funding. This report will also consider any action the IJB may require to take to recover the financial position in-year.</p>
3.	PROPOSALS
3.1	<p>That the Integration Joint Board:</p> <p>(a) notes the estimated cost impact of Covid-19 to March 2021 of £7.2m based on current assumptions and plans;</p> <p>(b) notes the financial risks faced by the IJB for 2020-21 until such time as funding is confirmed;</p> <p>(c) agrees to receive a follow-up report at the August IJB meeting, this will include the projected Q1 financial position, scenarios for funding and possible options for financial recovery.</p>
3.2	<u>Anticipated Outcomes</u>
	<p>This report provides an update to IJB members on the current estimated costs for North HSCP to mobilise services to respond to the Covid-19 pandemic. The next HSCP submission is due with Scottish Government on 27 July 2020, this submission will be a more reliable estimate of costs as will better reflect the sustainability payments being made to commissioned care providers and this picture will be clearer across Scotland. By that point we will also have worked through the period 3 financial position and projections and will have an early year-end financial projection for the IJB.</p>
3.3	<u>Measuring Impact</u>
	<p>A follow up report will be presented to the IJB in August outlining the updated cost estimates, the financial year-end projections and any potential funding gap based on scenarios re Covid-19 funding. This report will also consider any action the IJB may require to take to recover the financial position in-year.</p>
4.	IMPLICATIONS
Financial:	The estimated costs of the North Ayrshire HSCP Covid-19 response aligned to mobilisation plans are outlined in the report, the current estimated costs are £7.2m for 2020-21 on an HSCP managed basis. These estimates will be further refined for
Human Resources:	None

Legal:	None
Equality:	None
Children and Young People	None
Environmental & Sustainability:	None
Key Priorities:	None
Risk Implications:	Financial risks are outlined in the report.
Community Benefits:	None

Direction Required to Council, Health Board or Both <i>(where Directions are required please complete Directions Template)</i>	Direction to :-	
	1. No Direction Required	√
	2. North Ayrshire Council	
	3. NHS Ayrshire & Arran	
	4. North Ayrshire Council and NHS Ayrshire & Arran	

5.	CONSULTATION
5.1	<p>This report has been prepared in consultation with the relevant budget managers and with Heads of Service to ensure alignment with service mobilisation plans.</p> <p>The HSCP finance mobilisation plan return is shared with the NHS Ayrshire and Arran Director of Finance and North Ayrshire Council's Head of Finance on submission to the Scottish Government.</p>
6.	CONCLUSION
6.1	<p>There are expected to be significant additional costs associated with the HSCP response to the Covid-19 pandemic, these costs are submitted to the Scottish Government on a regular basis. There is a risk until funding is confirmed that not all of these costs will be funded and the IJB may require to re-visit the 2020-21 budget to ensure we can deliver financial balance. The IJB should be aware of these risks and will be presented with an update and follow up report in August.</p>

For more information please contact Caroline Cameron on 07801 439900 or carolinecameron@north-ayrshire.gov.uk

Appendix 1

COVID-19 Local Mobilisation Plan- Financial Plan- H&SCP

Instructions

Please complete the below table to reflect your indicative financial plan for response to COVID-19.

Duplicate tabs as necessary for each HSCP

Update cells in yellow

Figures are in £a

Please include sufficient narrative to support figures recorded in the template.

Where costs do not fit into any of the categories given, please put in 'Other', with description in the notes column of what this is for.

Please use additional rows where required (under 'Other').

Costs should only be included for **additional** costs incurred as a result of COVID-19 emergency

Name of Body	North Ayrshire HSCP
Finance Contact:	Iine Cameron, Chief Financial C
Date of last update	19/06/2020

Key Assumptions

Additional Hospital Beds

Please complete tab 'Bed Model (HSCP)'

Staff absence rates actual/assumption (%)	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21
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Delayed Discharge Reduction- Assumptions	Supporting Narrative
Delayed Discharge Reduction- Additional Care Home Beds	32 placements from March to date where funding accelerated or agreed to reduce DD in hospital and expediate discharge, further DD in hospital but not all will require care home placement
Delayed Discharge Reduction- Additional Care at Home Packages	
Delayed Discharge Reduction- other measures	Anam Cara Respite in-house respite facility being used temporarily for step down
Delayed Discharge Reduction- other measures	
Delayed Discharge Reduction- other measures	
Delayed Discharge Reduction- other measures	

	Revenue												Revenue	Capital		
H&SCP Costs	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	2020/21	2020/21	Body incurring cost (NHS or LA)	Supporting Narrative
Additional Hospital Bed Capacity/Costs																
Delayed Discharge Reduction- Additional Care Home Beds	82,102	78,564	78,564	78,564	78,564								396,358		LA	Only requested funding to August on the basis that interim funding is to facilitate discharge and HSCP would have to fund placements in the longer term. This is to fund 32 specific placements, not assuming there will be additional funding for any new discharges to maintain DD performance.
Delayed Discharge Reduction- Additional Care at Home Packages													-			
Delayed Discharge Reduction- other measures	5,453	4,362	4,362	4,362	4,362	4,362							27,263		LA	Anam Cara Respite facility being used temporarily for step down - cost is only in relation to lost income from respite charging, existing staff group delivering care
Delayed Discharge Reduction- other measures	60,151												60,151		LA	Adaptations and equipment purchased to get social care surge sites ready for use, would likely to be further costs if sites are required to be brought into use in the future.
Delayed Discharge Reduction- other measures													-			
Delayed Discharge Reduction- other measures													-			
Personal protection equipment	279,167	281,646	268,855	228,146	114,073	114,073	57,037	57,037	57,037	57,037	57,037	57,037				Sourcing majority of PPE for social care locally. Currently sourcing about 85%-95% (range depending on items) of social care PPE supply by HSCP with the rest coming from NSS top up supply. Orders placed totalling £912k as at 18th June. Assumption that from October onwards (linked to MoU for PPE Hub) NSS supply will potentially increase to provide 50% of requirement, however there remains a risk that costs will continue to rise and this depends on arrangement for national distribution.
Deep cleans		224											224		NHS/LA	
Testing for Virus															NHS	
Estates & Facilities cost		4,790											4,790		NHS	
Additional staff Overtime and Enhancements	70,596	43,682	47,882	50,000	50,000	50,000	25,000	25,000	25,000	12,500	12,500	12,500	424,660		LA	Cost of additional staff hours to cover absence, mainly in Care at Home Services and residential Children's Houses
Additional temporary staff spend - Student Nurses & AHP		227,159	180,446	180,446	180,446	79,704							848,201		NHS	Actual spend for May for student nurses and other nursing and AHP additional hours, from June onwards based on student costs plus £50k estimate of ongoing additional bank hours.
Additional temporary staff spend - Health and Support Care Workers													-		NHS	
Additional temporary staff spend - All Other													-		NHS	
	220,798	278,694	314,548	348,411	110,399	110,399	110,399	55,200	55,200	22,080	22,080	-				Provision per month for additional payments to providers primarily for PPE and sickness absence, position statement shared with providers in line with COSLA commissioning guidance. Additional provision for occupancy payments to care homes from April to July, assumes that sustainability payments will continue until then and void payments will reduce in July as beds are filled. Included provision for 5% increase in costs for community support services (care at home and adults) from April then tapered down, not included at 25% as not seen requests at that level, this may increase as sickness policy is implemented.
Additional costs for externally provided services													1,648,207			
Cost to 3rd Parties to Protect Services (where services are currently stopped)													-			
Additional costs to support carers													-			
Mental Health Services													-			
Additional FHS Payments - General Ophthalmic Services													-			
Additional FHS Payments- GP Practices	13,527	6,203	7,000	7,000									33,730		NHS	Additional GP sessions for Arran for the hospital and to support local team in co-ordinating planning and response
Additional FHS Prescribing													-			
Community Hubs													-			
Other Community Care													-			
Loss of income	88,500	88,500	88,500	88,500	88,500								442,500		LA	Ceased provision of day services and respite, also suspended charges for community supports on basis of rapid changes to care, capacity to ensure accurate financially assessed charges and also financial hardship.
Staff Accommodation Costs													-			
Additional Travel Costs		1,304											1,304			
IT & Telephony Costs													-			
Communications													-			
Equipment & Sundries		14,074											14,074			
Homelessness and Criminal Justice Services													-			
Children and Family Services													-			
Prison Healthcare Costs													-			
Hospice - Loss of income													-			
Other- Security Costs PPE Store	8,000	8,000	8,000	8,000	8,000	8,000							48,000		LA	Additional costs for in-house service to ensure service can facilitate hospital discharge and put in place care packages despite operating at high absence levels. Demands for this service have increased with more individuals and families choosing to be cared for at home.
Other- Additional Care at Home Capacity	77,690	77,690	77,690	77,690	77,690	77,690	38,845	38,845	38,845	38,845	38,845	38,845	699,210		LA	
Other- Update narrative and add additional rows as required													-			
Offsetting cost reductions - HSCP	(108,007)	(108,007)	(108,007)	(68,583)	(68,583)	(68,583)							(529,770)		NHS/LA	
Total	797,977	1,006,885	967,840	1,002,536	643,451	375,645	231,281	176,081	176,081	130,461	130,461	108,382	5,747,081	-		
													Subtotal	5,747,081		
Expected underachievement of savings (HSCP)	167,536	167,536	167,536	167,536	167,536	167,536	83,768	83,768	83,768	83,768	83,768	83,768	1,507,824		NHS/LA	
Total	965,513	1,174,421	1,135,376	1,170,072	810,987	543,181	315,049	259,849	259,849	214,229	214,229	192,150	7,254,905	-		
													Total	7,254,905		

Cash Flow Analysis	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	
Local Authority- Actual Spend	585,802	876,701	841,746										2,304,249
Local Authority- Accrual	988,902	944,782	984,846	1,173,008	531,588	364,524	231,281	176,081	176,081	130,461	130,461	108,382	5,940,407