A: Budget setting process

Performance budgeting

1. Which of the following performance frameworks has the most influence on your budget decisions:
    - National Performance Framework
    - Quality Measurement Framework (including HEAT targets)
    - Other (please specify)

    NHS Orkney's budget decisions and allocations are influenced mainly by a number of factors, notably: the Quality Measurement Framework (including HEAT targets), local health and service improvement priorities, changes in policy or legislation along with the overall strategic vision for the Board.

2. Please describe how information on performance influences your budget decisions:

    NHS Orkney's Local Delivery Plan sets out how we intend to achieve the NHS Scotland standards against which performance is measured and reported to the Finance & Performance (F&P) Committee of the Board. The F&P Committee has a scrutiny role which includes seeking assurance on performance and reporting variance to the Board. The Board also receives a performance report in public to ensure transparency of reporting. Board resources would be directed to areas that are underperforming.

    The Corporate Management Team, whose membership includes all of our professional clinical leads, also plays a key management role in delivery of standards/targets and information to this meeting helps the CMT understand how best to improve the patient experience and measured performance.

3. Do you consider the performance framework(s) to reflect priorities in your area?

    Yes, the frameworks address issues which are important overall to the health and wellbeing of Scotland. However, infrastructure to support improvements in population health and patient experience including safety also need to be considered in budget considerations. NHS Orkney continues to look at ways to build infrastructure capacity and resilience through a shared services approach.

4. Where allocations are made in relation to specific targets, are you able to spend this effectively in the required areas? (please provide examples where relevant)

    Usually yes, however there are occasions when scale means that allocations based on NRAC received by NHS Orkney are insufficient to make a step change in performance and a di minimis approach is more appropriate.

Examples where a di minimis approach is more important includes funding for specific posts which in funding terms relate to less than one WTE. NHS Orkney to date has looked at ways to address this by appointing people in partnership with another Board or buying in a service to build capability and service continuity resilience.

Integration of health and social care

5. Please set out, as per your integration plans/schemes with each of your partner local authorities, the method under which funding for the joint boards will be determined?

   NHS Orkney and Orkney Islands Council have agreed to a Body Corporate integration arrangement that builds on our current committee infrastructure – Orkney Health & Care. Orkney Health & Care has a range of primary/community integrated services delivered by an integrated workforce and supported by a professional structure. We have established an aligned budget model supported by a joint financial reporting arrangement. It is intended that this budget will be recurring. In addition, whilst it is difficult to separate out our hospital budget due to economies of scale it is our intention to set aside (activity and unit cost) the A/E budget to incentivise the current health and care system.

6. What functions will be delegated via the integration plan/scheme? Please explain the rationale for these decisions

   NHS Orkney and Orkney Islands Council have detailed the services to be delegated within Orkney's Draft Integration Scheme. The services delegated reflect current operational arrangements with the exception of A/E. Including A/E is intended to incentivise our health and care system to further enhance our approach to unscheduled care and the consequences of a system that does not have robust unscheduled care services in place to support people at home or in the community in line with Local Delivery Plan improvement priorities and the 2020 vision.

7. How much is being allocated to the Integration Joint Board for 2015-16?
   a. by the health board
   b. by local authority partners?

   The 2014/15 budget allocation is recurring and will be carried forward into 2015/16. In addition NHS Orkney will set aside (activity and unit cost) the A/E budget (estimated to be £0.6m).

					Annual
					Budget
Services					**£000**
Social Care					17,024
NHS					15,775
Service Totals					**32,799**

8. Please provide any further comments on budgetary issues associated with integration:

   Work to finalise the Integration Scheme will include details of how budgetary issues are to be addressed. In addition, NHS Orkney and Orkney Islands Council have began a process to support the production of the Strategic Plan, this Plan approved by the Integration Joint Board will determine the commissioning intentions and subsequently the financial implications to support the delivery of the Health & Wellbeing Outcomes.

   Specific challenges

9. Please provide details of any specific challenges facing your board in 2015-16 in respect of your budget:

   NHS Orkney in its LDP for 2015/16 has identified the following areas as potential financial risk areas.

   - **We remain exposed to individual high cost / low volume out of Board referrals for specialist care. These cannot be predicted and whilst the Board does provide a budget for such cases, in any one year this can cause financial pressure should there be unusually high number referrals.**
   - **Drug spending is our biggest budget after pay budgets, and spending patterns can be unpredictable. We have noticed a considerable increase in spending in specialist drugs in 2014/15 and we are making a significant provision in our plans to cover this and also a similar increase in 2015/16.**
   - **Orkney remains exposed to material and unexpected costs arising from covering gaps in medical staffing rotas arising from potential recruitment difficulties and absences. We provided a contingency reserve to help manage the potential risk but costs can vary significantly year on year.**

B: Increase the proportion of babies with a healthy birth weight

Indicator measure: The proportion of new born babies with a weight appropriate for gestational age

1. How does performance in your area compare with the national performance?

	% of new born babies with a weight appropriate for gestational age	
	Board	Scotland
2009	**90.2**	89.6%
2010	**88.4**	90.0%
2011	**92.8**	90.1%
2012	**88.1**	89.9%
2013	**86.1**	90.1%

Source: http://www.scotland.gov.uk/About/Performance/scotPerforms/indicator/birthweight

2. What factors can help to explain any observed differences in performance?

   Of note - the fall in percentage of babies of weight appropriate for gestation is in part due to an increase in the % large for gestational age (10.3%) in 2013 compared with a figure of 6.2% for Scotland overall. Due to the small numbers of births results can vary from year to year. Common medical causes for large babies include gestational diabetes, and obesity in the general population is an issue.

3. How does performance against this indicator influence budget decisions?

   Due to the small numbers of births in total, this is not a specific influence of budget decision making, however care will be tailored to the needs of individuals during their pregnancy. Due to less pronounced SIMD patterning of health issues there is less direction of budget based on geographical deprivation.

4. Do you consider this to be a useful performance indicator? (If not, what alternatives would you suggest?)

   Weight appropriate for gestational age is a useful indicator, but consideration should be given to the different implications of small and large for gestational age.

5. What programmes or services are specifically aimed at improving performance against this indicator? Please provide details for the **three** main areas of activity in the table below.

Programme/service area	Expenditure 2014-15 £'000	Planned expenditure(1) 2015-16 £'000
Child Healthy Weight Programme	32	32
Maternal & Infant Nutrition Programme	48	54
Maternity Care Quality Improvement Collaborative	5	5

(1) Anticipated allocations for 2015/16

6. What statutory partners or other partners (if any) contribute towards performance in this area?

The Community Planning Partnership has recently reviewed how it will target key priority areas. A key priority is in relation to 'healthy sustainable communities' and in Orkney we are currently agreeing which areas of improvement within this priority we will target. We will use the evidence from the Single Outcome Agreement in relation to the national outcomes for early years, equalities and improving life chances.

7. Please provide any further comments on this indicator e.g. other areas of activity that contribute to performance

There is a lower prevalence of smoking in the Orkney population compared with Scotland, and pregnant women are offered smoking cessation support. Carbon monoxide monitors are provided to the maternity team to aid engagement in this issue. NHS Orkney also promotes maternal and infant health and this is key feature for our partners in our Early Years collaborative.

The proportion of babies who are large for gestational age is higher in Orkney and a focus of activity locally is to reduce maternal obesity. This is co-ordinated via the Maternal & Infant Nutrition Steering Group funding with specific workstreams for Maternity and Early Years teams. A pathway for supporting women with high BMI has been implemented and includes dietetic support to deliver individual weight loss programmes (Group sessions have been offered, but have not attracted interest so far. More work being done to look at how could improve on that). Aquanatal exercise classes are established and Buggy fit walks are due to commence in April 2015. Breast feeding continues to be promoted & supported. Both the Maternity & Health Visiting teams have achieved Stage 3 UNICEF baby friendly accreditation in hospital and community settings.

Small for Gestational Age: This is being addressed through the Maternity & Child Quality Improvement Collaborative work to reduce stillbirths. The Growth Assessment Protocol (GAP) is being introduced locally. This programme aims to identify babies who may be small for gestational age through the use of individualised centile charts and individualised care bundles for women at higher risk.

C: Improve end of life care

Indicator measure: Percentage of the last 6 months of life which are spent at home or in a community setting

1. How does performance in your area compare with the national performance?

	% of last 6 months of life which are spent at home or in a community setting	
	Board	Scotland
2008-09	**87.9**	90.4%
2009-10	**90.2**	90.5%
2010-11	**88.8**	90.7%
2011-12	**91.2**	91.1%
2012-13	**91.0**	91.2%

Source: http://www.scotland.gov.uk/About/Performance/scotPerforms/indicator/endoflifecare

2. What factors can help to explain any observed differences in performance?

   A range of personal, general social and medical issues contribute to the variation seen, as well as the small numbers involved. The increasing proportion of individuals living alone and the ageing profile of the Island Boards will impact on the proportion of time that can be spent in the homely setting in the absence of external agency support. The geographical location of individuals may also impact on the practical delivery of external agency support.

3. How does performance against this indicator influence budget decisions?

   Due to the small number of deaths overall, this is not a specific direct influencer of budget decision making. The focus rather is on the issue of nursing support to provide appropriate care to individuals with specific conditions which may or may not be life limiting, for example cancer services. In addition, we have invested in improvement capacity to implement SIGN 139: Care of the Deteriorating Patient as part of our local Scottish Patient Safety Programme in Orkney which aims to identify those patients who are receiving palliative care and whose level of intervention be escalated with appropriate staff response or not.

4. Do you consider this to be a useful performance indicator? (If not, what alternatives would you suggest?)

   Whilst useful overall in a national perspective, the dependence on the adequacy of support of other agencies outwith health means there are some limitations on it as a marker of NHS Board performance.

5. What programmes or services are specifically aimed at improving performance against this indicator? Please provide details for the **three** main areas of activity in the table below.

Programme/service area	Expenditure 2014-15 £000	Planned expenditure 2015-16 £000
SIGN 139 – ALERT training to identify deteriorating patient (1)	15	15
Pilot scheme of Marie Curie nurses providing overnight care to end of life patients in West Mainland	7	20
Repatriation of chemotherapy service from NHS Grampian and investment in dedicated specialist cancer and palliative care nurses to support community nursing teams and social services home carers	45	45

(1) Anticipated allocations for 2015/16

6. What statutory partners or other partners (if any) contribute towards performance in this area?

   Crossroads provides respite to carers of end of life patients, as well as those with long term conditions. Provision of council services are important, including ensuring appropriate housing is available for individuals to remain in a home setting.

7. Please provide any further comments on this indicator e.g. other areas of activity that contribute to performance

   NHS Orkney is currently investing in staff training to support the implementation of SIGN 139.

Palliative care and hospice funding

8. Please provide an estimate of spending on palliative care services (as defined by the Scottish Partnership for Palliative Care, here)

	Expenditure 2014-15 £000	Planned expenditure 2015-16 £000
Specialist palliative care services	Inc below	Inc below
General palliative care services	625	630

The above expenditure includes an element of cost for oncology services that is provided as an integral part of this unit. A best estimate of this element is £100,000

In May 2012, the Scottish Government published new guidance for NHS Boards and independent adult hospices on establishing long-term commissioning arrangements. It stated that funding of agreed specialist palliative and end-of-life care (PELC) should be reached by NHS Boards and independent adult hospices on a 50% calculation of agreed costs. Funding should be agreed for a 3 year period, though this could be longer if appropriate. In addition it indicated intent for NHS Boards and local authorities to jointly meet 25% of the running costs of the independent children's hospices which provide specialist palliative care and respite services for children with life-limiting conditions.

General palliative care is an integral part of the routine care delivered by all health and social care professionals to those living with a progressive and incurable disease, whether at home, in a care home, or in hospital, and as such it is difficult to identify a specific element of the care budget. The MacMillan Unit and associate staffing in the Balfour Hospital play an important role in the delivery of palliative care services in Orkney.

9. Please provide details of funding agreed by your Board for hospices:

	2014-15	2015-16
Agreed funding for hospice running costs for specialist PELC (£'000)		
£'000		
As % of total hospice funding		
Agreed funding for running costs of independent children's hospices (including local authority funding where relevant)		
£'000		
As % of total independent children's hospice running costs		

10. Please provide any further comments on palliative care / hospice funding that you consider to be relevant:

NHS Tayside is the lead Board for the NHS funding of the Children's Hospice Association Scotland (CHAS) and they will respond for all Boards.

D: Reduce emergency admissions

Indicator measure: Emergency admissions rate (per 100,000 population)

1. How does performance in your area compare with the national performance?

	Emergency admissions rate (per 100,000 population)	
	Board	Scotland
2009-10	**7,798**	9,849
2010-11	**7,992**	9,874
2011-12	**7,726**	10,090
2012-13	**8,170**	10,130
2013-14 (p)	**8,484**	10,188

Source: http://www.scotland.gov.uk/About/Performance/scotPerforms/indicator/admissions

2. What factors can help to explain any observed differences in performance?

   The rate of emergency admissions depends on individual patient factors as well as service related issues. Age is an important issue to be consider and emergency admissions calculated as a crude rate per 100,000 population fails to acknowledge the different population profile that may exist in areas, for example the recognised older population profile of the Island NHS Boards. Small absolute numbers also impact on year by year variation. Overall, however, performance is better than the Scottish average.

3. How does performance against this indicator influence budget decisions?

   This indicator drives consideration of early intervention, anticipatory care planning and admission avoidance strategies as described in our system wide Local Unscheduled Care Action Plan (LUCAP).

4. Do you consider this to be a useful performance indicator? (If not, what alternatives would you suggest?)

   Yes

5. What programmes or services are specifically aimed at improving performance against this indicator? Please provide details for the **three** main areas of activity in the table below

Programme/service area	Expenditure 2014-15 £000	Planned expenditure 2015-16 £000
Enhanced Service for Anticipatory Care Planning	20	20
AHP NDP actions 2.1 and 2.3 (establishing AHP support in emergency admissions services, reducing unnecessary admissions and decreasing length of stay). Access to ACP services via the Intermediate Care Team on an on-call basis	15	15
LUCAP interventions and funding (1)	397	439

   NHS Orkney has invested £0.9m capital funds in 2014/15 for the commissioning of a CT Scanner

6. What statutory partners or other partners (if any) contribute towards performance in this area?

   Support for individuals if they medically do not require hospitalisation must be available to avoid admission for non-medical reasons. Orkney Islands Council and our Third Sector services play an important role in the development of appropriate admission avoidance strategies.

7. Please provide any further comments on this indicator e.g. other areas of activity that contribute to performance

   The Funds to support avoidance of admissions, reduced length of stay, alternative interventions etc are all described within our local Change Fund, and now our Integration Fund. The Strategic Commissioning Plan will also drive service change to support this area of performance.