

NHS Orkney - Evidence to the Health, Social Care and Sport Committee

Financial Sustainability

Following the receipt of additional non-recurring funding of £4.1m, the Board has reported a small underspend of £87k for 2022/23. The Board has submitted a 5-year financial recovery plan for 2023/24-2027/28 which sets out a clear savings plan to bring the Board back into financial balance:

	2023/24	2024/25	2025/26	2026/27	2027/28
	£000	£000	£000	£000	£000
Opening Deficit	(3,488)	(3,486)	(2,592)	(1,699)	(723)
Growth	1,313	1,268	1,293	1,318	1,345
Inflation Uplifts	(2,724)	(1,964)	(1,901)	(1,977)	(2,064)
Recurring Investments	(113)	(250)	(250)	(100)	(250)
Recurring Savings Target	1,526	1,840	1,751	1,735	1,743
Recurring Financial Position at year-end	(3,486)	(2,592)	(1,699)	(723)	51
Non-Recurring Cost Pressure Funded	(1,779)	(1,392)	(1,316)	(1,254)	(1,180)
Non-Recurring Savings Target	2,249	1,799	1,365	1,315	1,224
Non-Recurring Financial Position at year end	470	407	49	61	44
In-Year Position	(3,016)	(2,185)	(1,650)	(662)	95

In 2023/24, one of the key focus areas is to actively manage areas of overspend and deliver an in-year recurring savings target of £1.526m. Alongside the recurring savings target and reduction of overspent operational budgets, the Board is anticipated to deliver £2.249m of non-recurrent savings. The key areas of focus for 2023/24 are to strengthen a number of Grip and Control measures and review demand and service delivery models (including staffing levels).

Some of the key challenges being reported which may impact on Financial Sustainability for the organisation include:

- Ongoing recruitment issues and the ability to implement a sustainable medical model – increased agency/locum reliance and cost (2022/23: £4.5m agency and £1.8m locum spend). For consultant staff there is a gap of 6.5WTE out of a total workforce of 18WTE. Areas particularly affected are Acute Medicine and Anaesthetics. The latter problem area is shared with most acute centres across the North of Scotland and extends from a lack of interest in permanent positions through to increasing difficulties recruiting locums.
- Accommodation shortages in Orkney – premium rental rates and lack of housing for keyworkers impacts adversely on attracting new staff relocating to the Island (2022/23 spend on staff accommodation £400k)
- Significant challenges of receiving NRAC share of funding and ability to utilise meaningfully. Any funding split at a national level based on NHS Orkney's 0.5% share can result in the Board receiving very small allocations which limits what the Board can achieve with funding received, limiting the organisation's ability to focus on areas of greatest need
- NHS Orkney remains at 0.8% from NRAC parity - it does not receive its full baseline funding based on this. We would receive a further £500k on our baseline allocation if fully funded to this level

- General cost/inflationary pressures impacted particularly by our location, including patient travel and fuel surcharges
- Clear commissioning plan from the Integrated Joint Board which sets out key priorities and the recovery plan

Mental Health Services

Like the rest of Scotland, the activity levels and overall demand on mental health services continues to grow. The overall referral rate across our services (CAMHS, CMHT and Psychology) for the past three years is 816 (20/21), 878 (21/20) and 947 (22/23). These numbers represent almost double the rates of referral from 10 years ago. During 2022, the number of deaths by suicide were higher than in previous years. Over the previous 10 years, the average number of deaths by suicide has been 2, whilst in 2022 the number was 6.

Those most in crisis and assessed as requiring inpatient services has also increased in the corresponding period – 21(2020/21), 29 (2021/22) and 32 (2022/23).

Although the increase between 21/22 and 22/23 does not seem hugely significant, the length of time that people are having to be supported within the Transfer Room at The Balfour Hospital, until they can be transferred to an appropriate inpatient bed, is increasing. The current model to support those in the Transfer Room requires Community Psychiatric Nurses to provide 24/7 support until a transfer can be facilitated. This is currently impacting upon the delivery of community services. The staffing of the transfer room in 22/23 resulted in 566 working days lost to the CMHT provision. The waiting list for assessment as of March 2023 is adults 32, CAMHS 52, older adults 56 and primary care 18. In relation to adult CMHT provision, a new model of Transfer Room provision is being developed to free up the daytime CPN capacity. An option paper on delivery of this new model will be presented to the Integration Joint Board in June 2023. A GP with Special Interest in the Dementia role is currently out to advert. It is envisaged that this will contribute to a reduction in the Older Adults waiting list.

Referrals to our Addictions Service increased in 22/23 (61 referrals compared to 46 the previous year) and alcohol misuse continues to feature heavily in these referrals. Despite the increased activity, the service continues to meet the referral to treatment target. The successful appointment of a GP with Special Interest in Substance Misuse has contributed significantly to the progress made in delivering on the Medication Assisted Treatment standards.

In relation to CAMHS, the Scottish Government investment has been utilised to move from a team establishment of two to an establishment of 15. We have now filled 10 of these posts with interviews and adverts in motion for the others. It is envisaged that this will assist hugely in better managing the demand. Although it is too early to assess the impact of this additionality, with a number of staff only in post a matter of weeks, it is anticipated that young people will experience a reduction in waits for assessment and treatment; that the service will provide greater levels of advice and support to universal and lower-tiered services such as Education, Social Work and Third Sector; and that care-experienced young people will continue to receive support, as appropriate, until their 26th birthday.

Elective Waiting times

85.2% of elective patients commenced treatment within 18 weeks of referral, with 916 journeys within 18 weeks and 780 within 18 weeks. Current areas of focus are noted below.

Endoscopy (requirement to increase capacity) - some progress has been made both tackling the waiting list and clinical validation of those on the waiting list. There are 75 patients on the waiting list with 33.33% of these waiting < 6 weeks.



Pain Management Service (requirement to increase capacity and review demand/service model), work has begun establishing a project group to support this work with an MDT approach and seeking support and lessons learned wherever possible through networks already established. There are 49 patients on the outpatient list and 81.6% of these waiting > 12 weeks. There are 33 patients on the inpatient list and 48.48% of these waiting > 12 weeks.

Ophthalmology (requirement to increase capacity and review demand/service model), giving some consideration of approach taken by other Island Boards in recent years. There are 240 patients on the outpatient list and 48.75% of these waiting > 12 weeks. There are 176 patients on the inpatient list and 89.2% of these waiting > 12 weeks.

Staff turnover, vacancy numbers and workforce planning

NHS Orkney employ 738 colleagues (592 WTE) who provide a range of primary, community-based and hospital services. In summary the Board, over the past three years, has experienced a yearly average turnover of between 8.11%-14.37%. Within the last six months colleagues aged 55 and over represent 35% of the total leavers, with nearly 50% identified as retiring from the organisation.

The main concern is the mismatch between current supply and demand. There are not the numbers in the UK or current international system to meet the requirements of roles within the NHS in Scotland. Remote Rural and Island requires individuals with general skills or confidence to deliver services where they might need to rely on colleagues supporting from other locations. Staff may also need to rotate into other tertiary centres as part of maintaining skill competency where either the skill is more specialist, or the local numbers are small.

Laboratories have a national shortage of Biomedical Scientists, locally we are supporting a colleague to gain accreditation to this role via training delivery at Ulster University.

There is a national shortage in pharmacy. Locally we have one locum pharmacist on site supporting the acute sector, and a community pharmacist vacancy. This, coupled with the technician gap means that we can't move to deliver pharmacist-led clinics and MDT planned specialist care with pharmacists (rheumatology, dermatology, diabetes, mental health, frailty, pain). Currently we are unable to staff an on-call rota and deliver adequate pharmacotherapy service as per regulations. Our Director of Pharmacy is in national discussion with the Chief Pharmacy Officer around how we drive forward recruitment and sustainability. We are looking at the learning and potential benefits from the Recruitment and Retention Premium (RRP) in place in Western Isles, and locally have entered conversations with search and select to explore how we promote and brand an Orkney proposition.

Sustainability and the Environment

NHS Orkney is leading the way in Scotland when it comes to achieving the requirements to reduce emissions and achieving the net-zero ambitions.

The Balfour Hospital and healthcare facility is fully electric with air-to-water heat pumps generating all hot water and heating and has solar panels to reduce reliance on the grid. We have been successful in a bid for funding of just under £4million from the Scottish Government to decarbonise the rest of its estate. In line with Government policy, we will remove fossil fuels and install alternative renewable energy systems, such as heat pumps, solar panels, and wind turbines. These works will be completed by March 2025.

Areas where we would welcome Scottish Government action/support

- Structural reform in its totality is a distraction - we would like to integrate our front line services further and deeper and that requires space, support, and buy-in.
- IT system frailty and delays in new system implementation, along with funding requirements
- Housing provision in Orkney – mismatch between demand and capacity which is impacting adversely on recruitment and attraction (Housing Market Partnership meeting is in place in Orkney, with a submission to the Scottish Government re: supply need early Summer 2023)
- Provision of timely dentistry (including orthodontic) care.
- Mental Health resource.
- Resources to transition to a proactive Public Health Service focussing on prevention is a challenge.
- The National Treatment Centres offer an opportunity to think creativity about patient flow and supply demand. The current financial mechanisms don't move quickly enough to allow for the dynamic management of waiting lists. Giving more power to those that are purchasing services would help.
- When we are in receipt of national provision like leadership development and training from NES, we are often short-changed. A more equitable provision from NES and other national bodies in the isles could help us grow talent and support creativity within our staff and address some of our recruitment challenges.
- The third sector in Orkney is filling many gaps and delivering services to people that need them (Relationship Scotland Orkney, Crossroads, Vital Talk, Befriending, Isles Wellbeing projects, Cost of Living Task Force) but are facing precarity every year as their SLA confirmations often happen after the end of the financial year. We need to do better and invest more where we can in multi-year arrangements.
- Recruitment to social care roles across the system, has an impact on Care at Home provision and is especially felt in the ferry linked isles, and flexible use of Care Home beds. Delayed discharge bed days lost are keenly felt in a small system where the overall infrastructure remains small.

Other areas of challenge where the Board is taking proactive action to address

- Deterioration in SLA provision between island and mainland Boards is becoming more challenging as the required Boards continue to face challenges in their own geographical area with service provision, recruitment and increased demand. This has an impact on services delivered on Isles as we also see our own demand increase, often leading to increased delays and pressure on internal services. Support to all Boards to review SLA provision and broaden scope of SLA provision to encompass all territorial and specialist boards would be welcomed
- Workforce fragility – including ageing working (nursing/midwifery) and unstable locum medical workforce (inability to recruit to several posts requires innovative approach to collaboration)
- Travel and transport weaknesses impacts on links in particular flights to Glasgow and Inverness remain a challenge and co-ordination of travel plans for patients to attend services in Golden Jubilee and Raigmore can be difficult to negotiate leading to patients declining attendance at appointments
- A number of fragile services, with plans in place to ensure sustainable services and appropriate models of care moving forward. These include: Pain Services and dentistry.
- The IJB as an entity is not delivering the type of strategic imperative, commissioning, or impetus for integration. Currently it is challenging to navigate a complex governance and leadership landscape to deliver meaningful change at the required pace
- There is inequity of first responder service in outer isles, and inequity in current cover (eg: Scottish Ambulance Service funds Rousay first responders but no other isles).