

Response by the

South Eastern Health and Social Care Trust

to the

**draft Programme for Government, draft Budget and
draft Investment Strategy**

1 Introduction

The South Eastern Health and Social Care Trust is pleased to have the opportunity to respond to the Northern Ireland Executive's Draft Budget 2008-2011 as it will have wide reaching and long lasting consequences for health and social care and for the population that we serve.

2 Priorities outlined in the budget

The South Eastern Health and Social Care Trust agrees with the direction and aim of the budget as expressed in the five key strategic and interdependent priorities:

- Growing a Dynamic, Innovative Economy
- Promoting Tolerance, Inclusion and Health and Well-Being
- Protecting and Enhancing Our Environment and Natural Resources
- Investing to Build Our Infrastructure
- Delivering Modern High Quality and Efficient Public Services

The Trust supports the over-arching aim of building a peaceful, fair and prosperous society in Northern Ireland. It acknowledges the need for a dynamic, innovative economy generating prosperity and providing the opportunities and the means through which we all can enhance quality of life. The reduction of poverty and disadvantage through social inclusion and the development of a stronger, more sustainable and empowered communities are central to improved health and wellbeing.

The Trust also acknowledges the responsibility of all departments to work together to deliver the actions and targets within the Public Service Agreement Framework and ultimately deliver the Executive's priorities.

3 Funding for health and social care

It is important to emphasise that good health in a population is a key contributor to the development of the economy and thereby of the vibrant, prosperous society envisaged in this document. In this context the widening gap in real terms between health and social care expenditure in Northern Ireland and that in England over the period covered by this programme must be of significant concern.

In terms of finance the Trust appreciates that health and social care services receive the largest proportion of the Northern Ireland Assembly's budget and fully accepts that there are efficiencies to be delivered within the service. However this must be balanced against a clearly expressed public view that health and social care services are the first priority for Northern Ireland society.

The Appleby report estimated that care needs in Northern Ireland are, on average, 7% higher than those in England and to meet this need would require an additional £300 million in funding for Health and Social Care.

Additionally a further £300m gap occurs when the proposals within the draft budget are compared with the proposed spending profiles in England in this budget period. These two factors alone indicate the potential magnitude of the funding gap compared to another part of the United Kingdom. The Trust considers that when central pressures are accounted for insufficient resource remains available for service development, and this is in light of the reapplication of funds released through very challenging efficiency targets.

Whilst the Trust fully accepts the need for efficiencies it is concerned to see the debate developed beyond this to consider the requirements of modern and sustainable health and social care services, and what needs to be done now to ensure the delivery of such services into the future.

Therefore a draft budget in its current form which requires the delivery of the same or better services by 2011 with a 9% efficiency gain target and lower levels of investment undermines the potential achievement of modern, 21st century health and social care services. As up to 80% of all expenditure is on salaries the full application of this target set alongside growth is likely to result in 4,500 fewer posts available in health and social care across the province by 2011. These posts will necessarily come from all grades of staff, professional, administrative and managerial.

4 Capital Development

The Trust is pleased to note that Health and Social Care remains a key focus for capital development, thus enabling the maintenance of strategic direction and momentum as articulated by “Developing Better Services” and “A Healthier Future”. It should also be highlighted that efficiency gains often require capital investment and there are may be opportunities to recycle existing revenue to support a different capital configuration.

For the South Eastern Trust two areas need to be reviewed. Firstly it is essential that there is a clear commitment to Phase B of the redevelopment of the Ulster Hospital. Failure to take timely decisions to maintain progress in this important scheme may create circumstances which would then threaten the stability of key services and potentially have a harmful impact across the totality of the health and social care economy.

Secondly, a failure to pursue simultaneously the modernisation both of primary and community care infrastructure in support of the aims of “Developing Better Services”, and of the mental health service estate will undermine reform, modernisation and the ability to sustain existing services.

5 Key challenges

This budget presents challenges for Northern Ireland in general and health and social care services in particular.

i. Public expectations and accessibility

Issues regarding expectations held by the public and by local communities and issues of accessibility will inevitably arise as a consequence of service reform. Communities in Northern Ireland have an intrinsic loyalty to health and social care services and particularly to their local hospital. Experience has demonstrated that any changes to provision can often precipitate strong reactions which can delay and impede the necessary reform. The level of efficiency gains required by this budget will push Trusts towards a very different configuration of services. These will be both clinically and managerially appropriate but will undoubtedly lead to unease amongst the population of Northern Ireland and thus will require leadership at all levels.

ii. Decision making and implementation

Modernising the health and social care system and remaining within budget will require difficult decisions. It is important that these decisions are made as soon as is possible to enable their implementation to be managed and reform delivered within prescribed timescales.

As a consequence of reform the public will see a different service configuration and a different emphasis particularly in terms of service delivery and its location. The public rightly has high expectations in terms of health and social care services however this is balanced by the responsibilities of the citizen to use scarce resource wisely, to inform themselves regarding the issues and to protect and promote their own health. There is a responsibility therefore at all levels to seek to manage expectations as we modernise the service.

The draft budget acknowledges that *'Northern Ireland has a lower life expectancy and higher incidence of some serious diseases...than the UK average'* and notes that lifestyle factors are responsible for some of this difference. Therefore there is a need to ensure balanced investment in prevention and health promotion. The latter has an integral role in improving life expectancy and quality of life and clearly this is not the sole responsibility of health and social care organisations but requires a "joined up" approach as outlined in "Investing for Health" and taking account of factors such as housing and education. The outworking of the budget as presently presented may make this problematic.

iii. Political and public support

Service reconfiguration and modernisation to ensure cash release will need political support. It will also be necessary to fully explain the changes to the public and service users. However, if the final budget is reflective of the draft budget this will be difficult and as noted above will require full political support to explain to the public the rationale for change.

iv. Timescales for transition

There is no lack of enthusiasm within health and social care for service improvement to bring benefit to patients and clients. However, the timescale for achieving efficiency gains from the system is challenging. This means that initiatives which will lead to cash release will have to be identified quickly. Consequently there will be enormous pressure in the first year of the CSR period 2008-2011.

In spite of this it is important to ensure that reforms and efficiencies remain guided by agreed strategic direction.

It is also important that change and the need for difficult decisions to be made is not compromised by a complex decision making process that frustrates reform and modernisation. Balancing the need for a considered, strategic approach with the need for decisions will be a challenge for all involved.

A final point regarding efficiency is that a differentiated approach should be employed that recognises organisations that have been proactive and, when benchmarked, can demonstrate efficiency, rather than adopting a blanket application that would take little account of the efforts that organisations have made to date.

v. Maintaining strategic momentum

Unless the challenges of this budget are approached from a strategic perspective and solutions found which are safe and sustainable in the longer term, it could lead to difficulties in maintaining the standards of service which we all desire for the population of Northern Ireland.

It is essential for the delivery of the priorities outlined within the budget that there is close collaborative working between organisations across the public sector. From a health and social care perspective as indicated above the focus must be upon the determinants of health. Consequently the Trust would have concerns regarding the adequacy of the allocation in regard to housing. Of particular importance will be supported Housing for growing numbers of elderly people.

Links with education are of fundamental importance in creating a healthier population and the capacity and opportunity to share resource must be enabled.

Again as indicated earlier accessibility will be a key issue in a reformed service and the Trust is pleased to note the investment indicated for roads' infrastructure, as this and transport infrastructure generally will be critical for sustainability.

6 Conclusion

The Trust remains concerned at the level of efficiency gains and the timescales for their delivery. The success of the proposed budget is directly linked to the efficiency savings and no one should be in any doubt as to what this means. As Northern Ireland takes more responsibility for its political decisions it is important that the Budget's five key strategic and interdependent priorities are not delivered in a manner which unintentionally damages the health and social care system.

The Trust is of the view that the level and timescale of the efficiency targets should be reviewed if the priorities within the budget, and the objectives contained within "A Healthier Future" and "Developing Better Services" are to be delivered successfully. The overall level of efficiency can be achieved but by phasing it over a longer timescale and particularly creating easement in years one and two would enable increased resource for service development at the outset of this substantial programme of reform.

From a Trust perspective and indeed from a service wide perspective it is essential that Phase B of the Ulster Hospital redevelopment proceeds. In the Trust's view there could be a greater commitment of capital but this should be linked closely to existing and agreed projected revenue streams.

Consequently it would be the view of the Trust that the current Draft Budget be reviewed to consider the phasing of efficiencies in health and social care to enable and increase in the proportion of resource available for service development to enable the necessary reforms. Alongside this capital developments must also keep pace with the changing service profiles and the Trust would suggest review of the Draft ISNI to take account of this, particularly in respect of the Ulster Hospital.