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Deputy Mary Le Hegarat
Chairman
Health and Social Security Scrutiny Panel
Scrutiny Office
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14 October 2019

Dear Deputy Le Hegarat

Government Plan Review

Please find below a response to your letter of 7 October asking a number of additional questions in respect of the Government Plan.

Mental Health

1. At the Public Hearing, the Assistant Minister advised the Panel that the third sector would have to be funded and supported in a better way in order for them to provide the assistance you require with mental health services. Please can you provide details on how you intend to do this and where the funding will come from?

Money will follow activity. There will be a commissioning framework that will ensure that activity is moved and funded appropriately and safely. We will need to use the HIF differently in order to fund double running in the first instance, but long term the monies will be from within the current envelope as we will not necessarily be delivering more activity just delivering it in a different location or via a different provider.

(no question 2)

Maintaining Health and Community Care Standards

3. Please provide a breakdown of how the budget for 2021-2023 is to be spent.

Please see attachment below:



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4. We note that 2% annual growth has been assumed. Is this realistic given the predicted RPI increase for 2020 is predicted to be 2.9%?

The 2% is the Government standard for uplifting healthcare standards inflation built into the budgeting process and thus this practice has been continued. The Department has typically allocated the 2% inflation across particular expenditure lines under significant inflationary or demand-led pressure, rather than spreading the funding across all non-pay expenditure lines and thus maximised the targeted benefit from it. As with all expenditure funding, the amount available is a balance between potential demands on the service and the overall available funding. The Department is confident it can manage within the available funds

Hospital (pre-feasibility vote)

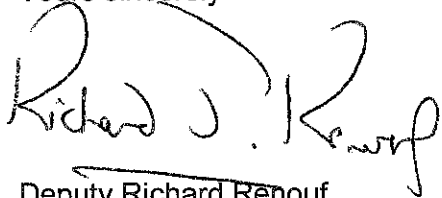
5. Please can you explain why no information was provided within the Government Plan about how the additional investment would be spent (£5m in 2020 and £1.6m in 2021).

The money allocated to the hospital project in the Government Plan is the continuation of funding requested by the project team to develop an Outline Business Case (OBC) as explained in the Business Case template provided to Scrutiny. The funding will be held by Treasury & Exchequer and drawn down as required to enable tighter controls as described in the supporting document provided to Scrutiny. The OBC will provide further detail on what the hospital project outputs and outcomes will be, therefore no further detail could be provided in the Government Plan.

You also sent me a letter dated 23 September asking for clarity around the funding of electronic paper records and the timeframe the department was working to. My response is as follows:

The digitalisation of patient records is recognised as being a key project for Health and Community Services. Ultimately, the solution will of course be a technological solution and developed and delivered by the Chief Operating Officer (COO), however, the early stages of discovering what that solution needs to provide will be clinically led. It is for that reason that the funding originally proposed by the COO was removed as the Government Plan developed. Instead, this primary and other work will draw on the Health Services Improvements (including vital IT investment) head of expenditure and the revenue Technology Transformation Programme Expression of Interest. It is anticipated that the technological solution will form part of the Our Hospital project funding requirement once a decision is made about what the preferred solution is. Clearly the funding required and the options to finance this will develop as the work and other government-wide work progresses.

Yours sincerely



Deputy Richard Renouf
Minister for Health and Community Services