

Agenda Item	9
Report No	HCW-18-21

HIGHLAND COUNCIL

Committee: Health, Social Care and Wellbeing Committee

Date: 11 August 2021

Report Title: Revised Highland Partnership Integration Scheme

Report By: Executive Chief Officer – Health and Social Care

1. Purpose/Executive Summary

- 1.1 This report sets out the outcome of detailed discussions in relation to the partnership arrangements in place between The Highland Council and NHS Highland. The report is provided in the context of the commitment of both partners to transformation in terms of the delivery of service and that commitment is reflected in the establishment of the Joint Programme Board. Key to effective joint working is a revised integration scheme to set out the parameters for that.
- 1.2 The report is presented for noting and subsequent to the agreement by the Council at their meeting on 25 March when there was an agreement in principle of the revised Integration Scheme. At that meeting the Council delegated responsibility for further amendments in relation to the Integration Scheme, after the conclusion of a period of consultation whereby in the event that such amendments were not considered to be material, the Chief Executives of both the Council and NHS Highland in consultation with the Council Convener and Leader of the Administration, the Chair of the Health, Social Care & Wellbeing Committee, the Leader of the Opposition and the NHS Highland Chair and Vice Chair would be authorised to execute the agreement and pass it to the Scottish Government for approval.
- 1.3 That period of consultation has now concluded.

2. Recommendations

Members are asked to:

- i. Note the contents of this report.

3. Implications

- 3.1 Resource – There are resource implications in that the revised Scheme provides for the financial arrangements in place between NHS Highland and the Council in terms of the delivery of commissioned service. That agreement deals with administrative arrangements in terms of management and reporting and also more strategic issues in terms of budget setting and the provisions for in year variations and risk management/sharing. There are also resource implications in terms of the Joint Programme Management Office approach to efficiency and transformation. Such issues are key to the financial relationship and are set out in detail in Clause 6 of the appended agreement. Those financial and resource implications have not altered since the time the revised Integration Scheme was approved by full Council in March.
- 3.2 Legal – The Public Bodies (Joint Working) (Scotland) Act 2014 requires that there be an integration scheme in place between the Council and NHS Highland. Such an agreement reflecting the “Lead Agency” model in place was first agreed in 2015 and the proposed integration scheme as approved by the Scottish Government in June 2020. In terms of the 2014 Act those arrangements require to be reviewed every 5 years and it is that review which is referred to and constitutes once approved a legally binding agreement with NHS Highland in terms of the delivery of commissioned services.
- 3.3 Community (Equality, Poverty, Rural and Island) – An impact assessment on the revised Integration Scheme is not considered necessary as revisions relate to process/updated legislation, or to work already underway, and there is no direct impact for service users. However, as consultation has taken place on the revised Integration Scheme and equality groups are involved in that consultation process and any comments received are available to the Board/Chief Executive on consideration of the draft revised scheme for final sign off.
- 3.4 Climate Change/Carbon Clever – There are no climate change implications as a result of this report
- 3.5 Risk – The agreement contains provisions for managing financial and other risks that may arise from the agreement, including procedural steps for mitigating and managing risk events.
- 3.6 Gaelic – There are no Gaelic implications as a result of this report.

4. Background

- 4.1 The Highland Council and NHS Highland entered into a Partnership Agreement in 2012, establishing the principle of, and arrangements for, service integration in relation to both children’s and adult health and social care services within a lead agency model, with the NHS Board taking responsibility for adult health and social care services and Highland Council taking responsibility for children’s health and social care services.
- 4.2 In 2014, subsequent legislation [the Public Bodies (Joint Working) (Scotland) Act 2014] resulted in the development of the Integration Scheme, which carried forward these arrangements. The Scheme was first approved by the Scottish Government on 25 June 2015 and contains the agreement between NHS Highland and Highland Council

for integration of health and social care services within the Highland Council area. The Partnership Agreement remains in place to offer detailed supplementary guidance.

- 4.3 The arrangements which were put in place in 2012, and updated in 2015, have remained in place, with the only further formal change to date being revisions to an annex to the Scheme in 2018 to include within the Lead Agency arrangements, local authority functions about carers and young carers [from the Carers (Scotland) Act 2016], and this was approved by the Scottish Government.
- 4.4 The Integration Scheme is governed by the 2014 legislation and is required to be reviewed to identify if any changes are necessary or desirable. If changes are considered necessary or desirable then a revised scheme must be prepared, consulted upon, and submitted to the Scottish Government for approval before it takes effect.
- 4.5 Given the Integration Scheme was approved by the Scottish Government on 25 June 2015, a revised scheme was required to be submitted by 25 June 2020 in accordance with the legislation as the operative date is the date 5 years after the approval of the previous scheme by the Scottish Government.
- 4.6 At the time of the Covid-19 pandemic outbreak, work was underway but given the challenges around dealing with the pandemic the Scottish Government, in March 2020, agreed to an initial review by the original June 2020 deadline and later submission of a revised Integration Scheme by 1 April 2021.
- 4.7 As required by the legislation, an initial review was undertaken, and it was noted that revisions were needed to the Scheme.

5. Current Position

- 5.1 Discussions have taken place with NHS Highland and work is now complete on a draft revised successor Integration Scheme which is attached (**Appendix 1**). The proposed draft scheme was considered by NHS Highland at their Board meeting on 31 March 2021 and approved on a similar basis to the approval given by the Council namely that the Chief Executive of NHS Highland had delegated power after the period of consultation to finally execute the document providing no material considerations arose as a result of that consultation.
- 5.2 The Joint Monitoring Committee also received a report on 8 March 2021, on the plans for seeking agreement in principle from both the Board and Council for a consultation in relation to the draft revised scheme.
- 5.3 Given extended discussions on the draft revised scheme, particularly around finance, and with consultation still being needed, it was not possible to meet the provisional date provided to the Scottish Government of 1 April 2021 for submission of a final revised scheme.
- 5.4 The revised target dates agreed by the Council in March are set out below in terms of the consultation required which was of course subject to the approval of the draft scheme by both the Council and NHS Highland:

- Consultation on the draft revised scheme. Four weeks was considered the minimum reasonable period for this.

Target dates for this period of consultation is from 02 April 2021 to 30 April 2021.

- Consideration of consultation comments by THC and NHH.

Target date: 03 to 07 May 2021.

- Consultation responses to be considered by the necessary governance structures within both organisations before approving the final revised scheme.

Target dates for this if required on the basis that the consultation requires material change to the appended scheme are: 24 June Highland Council; 22 June 2021 NHS Board.

- Submission of the final revised Integration Scheme to the Scottish Government for approval.

Target date for this: 30 June 2021

- 5.5 In terms of those dates those target dates have been met save that the final revised Integration Scheme has not yet been submitted to the Scottish Government for approval. This delay has arisen as a result of leave commitments and general housekeeping in terms of ensuring formal sign off of the reviewed Integration Scheme.

The consultation has taken place and a total of responses were received from a variety of sources including the third sector, a member of the public, staff groups and officers and members of both organisations being members of the Highland Council and members of the NHS Board. Those responses did not amount to any material change to the revised Integration Scheme and broadly fall within the following categories:-

- Typos or minor grammatical revisions
- Updates on meeting / group names or designations
- Comments on current operational provision / service delivery

- 5.6 The publication on 3 February 2021 of the Independent Review of Adult Social Care in Scotland (referred to as “The Feeley Report”) is likely to have a significant impact upon the current partnership arrangements. Whilst these implications are being more fully understood and Scottish Government direction on this matter awaited, there remains a legal obligation on both NHS Highland and Highland Council to have in place an appropriate and agreed Integration Scheme. Legal obligations around a revised scheme must therefore be completed.

- 5.7 Early clarification will be sought from the Scottish Government to understand any required change and further information will be provided when this is available. However, legislation to effect change is likely to take some time and meantime a scheme, and the arrangements set out within this, would remain in place. It is understood that CoSLA are engaging with the Scottish Government in terms of any proposed change and working groups have been established which are seeking to identify those areas where there may in due course be significant change.

CoSLA’s position identifies 5 key strands in terms of the Feeley report being:-

- Workforce
- Resourcing
- National Care Service

- Commissioning
- Human Rights Approach

6. Actions consequent upon the Revised Scheme

6.1 In reviewing the Scheme and preparing a draft revised one, members will recall that areas were noted that require further work.

The specific obligations and actions within the Integration Scheme have been extracted and set out into a proposed Integration Scheme Implementation Plan at **Appendix 1**.

The key vehicle for both overseeing the delivery of the Integration Scheme, and ensuring appropriate reporting and support to the Joint Monitoring Committee, is the **Joint Officer Group (JOG)**. A reminder of the role, remit and membership of this JOG (as per the Integration Scheme) is as set out at **Appendix 2**.

This group had previously met but has been in abeyance for some time. This group has not been re-established to ensure the necessary attention and rigour to the required Integration Scheme actions

A crucial component of the Integration Scheme and area of activity oversight of the JOG, is the development of **Strategic Commissioning Plans**. As early and priority areas, it is therefore proposed that the JOG consider actions to recommence the development of that work.

Further, and in line with the “The Feeley Report”, it is also suggested that the JOG maintain an overview of any arising actions or preparation that may be required of the Highland Health and Social Care Partnership in connection with that report.

6.2 Running in tandem with that implementation work is the Programme Board established to deliver transformation with a focus, in particular, on the delivery of Adult Social Care. It has commenced work and as such officers are involved in 4 workstreams which have been identified to deliver transformational change and efficiencies. This reflects the joint commitment of both organisations to work in partnership to deliver transformation across service and is the subject of a separate report to this Committee.

Designation: Executive Chief Officer – Health and Social Care

Date: 22 July 2021

Author: Fiona Malcolm, Interim Head of Integration Adult Social Care

Background Papers:

Integration Scheme Action Plans - 16 March final

TABLE A – ACTIONS TO FURTHER INTEGRATION ARRANGEMENTS WITH PROGRESS REPORTS TO JMC		
Section of Scheme	Action	Comments
6.33	<p>Establish Joint Property and Asset Management Board.</p> <p>Remit set out in this section:</p> <ul style="list-style-type: none"> - Review property arrangements and make recommendations to the Partners on long-term arrangements. To include fully worked up action plans and proposed procedures for the sale/lease/sub-lease of property, the destination of capital receipts, the possible insertion of economic burdens in titles to be transferred, and any restriction on sale or hand back (should property cease to be used for Delegated Functions) by the Receiving Authority and related matters. - Review all insurance policies and arrangements, including the process for payment of premiums, process for ensuring compliance with insurance provisions, process for each Partner advising the other of changes or claims, and make appropriate recommendations to the Partners. - Ensure that the interest of NHS is noted on any commercially tenanted policies of insurance maintained by HC re Adult Services DF Accommodation, with a waiver of subrogation rights against NHS under those policies. - Review property related indemnity arrangements and make appropriate recommendations to the Partners. - Consider and recommend to the Partners a procedure for considering the calculation of annual maintenance budgets. - Consider and recommend to the Partners a procedure for considering the property implications of any additions to/removals from Delegated Functions that may be proposed in any future reviews of this Scheme. - Manage issues that may arise from time to time regarding occupation of property, including maintenance thereof, and use of telephony, and ICT infrastructure within the premises. - Consider any outstanding issues relating to arrangements for IPR, databases, ICT Infrastructure, Special Equipment, and other equipment, vehicles, furniture etc., that has not been agreed by the Partners by the end of March 2022, as provided for in clause 6.34. - Consider and recommend to the Partners arrangements for any property to be used to support delivery of Integrated Services and not subject to either a Shared Occupancy Agreement or Licence to Occupy. 	
6.34	<p>By end March 2022, discuss and agree revised arrangements in relation to IPR, databases, Special Equipment, and any other equipment, vehicles, furniture etc, that may have been made available to support integrated services, in parallel with work relating to the longer-term approach to ICT Infrastructure (8.6)</p>	
8.4	<p>Agree Joint Controller Agreement to manage the sharing of information.</p>	
8.6	<p>Agree revised arrangements in relation to databases and longer-term approach to ICT infrastructure.</p>	
8.11	<p>Agree Joint Protocol for Media Management in relation to delegated functions. To include handling of information re disputes and emergencies.</p>	
13.1.4 and 13.2.4	<p>Joint development of Performance Management Frameworks.</p>	

Integration Scheme Action Plans - 16 March final

TABLE B – ACTIONS FOR JMC		
Section of Scheme	Action	Comments
Appendix 1 and Regs	Develop Standing Orders.	To include matters set out in regs. Issue of casting vote when dealing with disputes referred to it.
Appendix 1	Consider the application of relevant local performance indicators and outcomes.	
	Develop set agenda.	Including: joint project workstreams; progress against strategic plans/performance reports; financial reports; complaints monitoring; risk register (and balanced scorecards).
	Agree annually a forward schedule of meeting dates. Min. quarterly meetings.	
	Consider publication of agendas, reports and minutes.	

TABLE C – ACTIONS FOR PARTNERS		
Section of Scheme	Action	Comments
1.1 and annex 1	By no later than 1 October 2021 , supported transition for Business Support of Children’s Services.	
2.7	JOG – ensure operating as envisaged.	
6.30.3	Discussions re HC holding earmarked reserves on behalf of NHSG for Adult Services. (If agreed, HC may need to amend their Reserves Policy to cater for this.)	Subject to discussion re sec. 6 with HC.
7.1 and Annex 6	Consult on draft reviewed scheme before finalising it.	Draft Consultation Summary prepared. DATES: 2 – 30 APRIL 2021

Integration Scheme Action Plans - 16 March final

TABLE D – RECURRING ACTIONS FOR PARTNERS			
Section of scheme	Frequency	Action	Comments
6.14	Monthly	NHS to invoice THC re HC Share of the VAT.	
6.59 and 6.61	Monthly (within 20 working days of each month end)	Provide each other with budget monitoring reports.	
6.32.3	Quarterly	Reports from NESH to THC on maintenance performance and actual expenditure incurred re properties occupied under Licence to Occupy.	
6.62 and 6.63	Quarterly	Payment of Financial Contributions (one quarter) to each other and other invoiced sums.	
13.1.2 and 13.2.2	Quarterly	Performance reports to JMC.	
6.3	Annually (prior to start of Financial Year)	Partners to advise each other formally by letter of the amount of the Financial Contribution for the forthcoming Financial Year.	
4.1.5	Annually (April)	Provide each other with an organogram that will show any organisational changes that have taken place.	
6.3	Annually (date to be agreed)	Report to Adult Services Resources and Commissioning Group (or successor Group) or Chief Executive Officer and the Children’s Services Resources and Commissioning Group (or successor Group) or Chief Executive Officer, to highlight the financial forecast and provide detail in relation to pay increases, inflationary costs and any demand led cost pressures and other adjustments as provided for in clause 6.9.2. To enable relevant groups/persons to make recommendations to partners re the amount of the Financial Contribution.	
6.5	Annually (by 1 Sep)	Directors of Finance (or equivalent posts) to meet to consult on their proposed timetables for forward financial planning and budget setting and so far as possible to agree a consistent schedule for production of key information required by each Partner in considering the level of its Financial Contribution for the forthcoming Financial Year.	
6.8	Annually (no later than 1 Oct)	Negotiations associated with determining the amount of the Financial Contribution for a given Financial Year to begin. (To be completed by 31 Jan each year.)	

Integration Scheme Action Plans - 16 March final

6.26.4 and 6.30.3	Annually	Discuss and agree arrangements for year end over/underspends.	
6.32.1	Annually	Revenue budget transfer by THC to NESH for property (under Licence to Occupy) maintenance.	
6.32.1	Annually	NESH to submit to HC Capital Investment Programme re property subject to Licences to Occupy.	
6.49	Annually	Directors of Finance (or equivalent posts) to provide each other with a full set of their organisation's audited accounts and separately produce an income and expenditure statement for the Arrangements; this statement will show the Financial Contribution received from the other Partner, expenditure made, any resulting over/under-spend and a brief report identifying the causes of any over/under-spend	
6.51	Annually	Notify each other of any material issue that arise during the accounts closure process in respect of the Arrangements, that will affect the accounts of the other Partner	
6.54	Annually	Provide each other with copies of final accounts and reports on such accounts.	
Act	Annually	Prepare and publish Performance Report and provide copies to each other and JMC.	
7.3 and Act	3-yearly (min.)	Reviews of Strategic Plans.	
	3-yearly	To review and confirm/change JMC appointed membership.	Note provided for reference/records re JMC membership.
Preamble and Act	5-yearly (min.)	Jointly review Scheme.	
4.1.7 and Annex 3	Periodic	Review arrangements for provision of Pan Highland services to both children and adults to assess if they continue to be appropriate.	
5.1	Periodic	Review of organisational development.	
5.1	Periodic	Review of policies and procedures for staff development and support.	
	Periodic	Review of progress of workforce harmonisation.	
13.1.2 and 13.2.2	Periodic	Reviews of targets to ensure continued relevance and reflection of national and local outcomes. (Any change in targets to be proposed to JMC.)	
13.1.4 and 13.2.4	Periodic	Joint reviews of Performance Frameworks to assess if they continue to be appropriate or require further development.	
1.1	As needed	Discuss and agree further detail around transitions.	
4.1.5	As needed	Keep each other apprised of management and organisational changes at strategic, area and district levels.	
6.65	As needed	Any new charges for Adult Services or proposed increase that exceeds the average in year Consumer Price Index uplift will be put forward by NHS Highland for consideration and approval by The Highland Council.	
13.3	As needed	Provide JMC with additional performance exception reporting and early warning of material variations in performance, together with any necessary remedial plans.	

Integration Scheme Action Plans - 16 March final

4.2.10.2 4.2.12.2	Throughout duration of scheme.	Ensure that the principles, Professional Leadership Framework, and structure are embedded when commissioning independent sector services.	
6.45	Throughout duration of scheme.	Ensure that all contracts entered into in connection with the exercise of any Delegated Functions contain provisions allowing the Lead Agency (without any requirement to obtain the consent of the other party to the contract) to assign or novate the contract to the other Partner following upon termination of the relevant Delegation Function.	
6.20 and 6.21	Throughout duration of scheme.	Directors of Finance (or equivalent posts) to advise each other in writing Of: <ul style="list-style-type: none"> - any matter which will, or is likely to, affect significantly the Financial Contribution payable by the other Partner or budgets for Conjunction Functions in respect of the current or immediately succeeding Financial Year. - any matter which will, or is likely to, affect significantly the Financial Contribution or budgets in respect of Conjunction Functions in the current Financial Year or the period covered by the Performance Management Framework. This is to include any material revision to grant income, any material write off of stocks or income, as well as any significant service and operational matters. 	
7.4	Throughout duration of scheme.	Focus on continued engagement	

Appendix 2

Joint Officer Group

[As per current Appendix 3, Clause 2.7 of Integration Scheme]

Membership	
NHS Highland Chief Officer Director of Adult Social Care Director of Finance	The Highland Council Executive Chief Officer, Health and Social Care Executive Chief Officer, Resources and Finance Head of Resources
Or equivalent posts to any of the above. From time to time, additional members may also be appointed. From time to time others may be required to attend by invitation.	

Remit

- To consider and agree strategy for presentation to the Partners' Committees. This should include Strategic Plans reflecting the term of each Highland Council and including the finance and cash flow required to deliver that plan.
- To ensure that strategic reports considered by the Partners' Committees are referenced and within terms of the Strategic Plans.
- To support the development of Strategic Plans through the creation of a multi-year funding model.
- To support and service regular, planned meetings involving the Partners' Chief Executives, senior members of the Council Administration and Health Board non-Executives, which will also act as a preliminary meeting prior to matters being formally considered at the Joint Monitoring Committee.
- To review the finance and reporting mechanisms to support the partnership arrangements.