

Finance and Resources Committee

10am, Thursday, 26 November 2015

Health and Social Care Integration – Update

Item number	7.8
Report number	9 in 2015
Executive/routine	
Wards	All

Executive summary

This report presents an update on the integration of Council social care functions with NHS Lothian health functions under the Public Bodies (Joint Working) (Scotland) Act 2014.

In particular it outlines progress with Internal Audit actions.

Links

Coalition pledges	P12 and P43
Council outcomes	CO10, CO11, CO12, CO13,CO14, CO15
Single Outcome Agreement	SO2

Health and Social Care Integration – Update

Recommendations

- 1.1 Members are recommended to:
 - 1.1.1 note the progress with the legislative matters related to integration;
 - 1.1.2 note the approach to preparing the Council's response to the formal consultation on the second draft Strategic Plan.
 - 1.1.3 note Appendix 1 which outlines progress with Council Internal Audit and Corporate Programme 'Health Check' recommendations;
 - 1.1.4 refer this report to Governance, Risk and Best Value (GRBV) Committee;

Background

- 2.1 The Finance and Resources Committee requested regular update reports to track progress with the work associated with Health and Social Care Integration. This is the ninth report in 2015.
- 3.1 At its meeting on 23 September, Governance, Risk and Best Value Committee requested an update on the risks identified in the Council Internal Audit report and asked Finance and Resources Committee to refer to it relevant reports on health and social care integration.

Main report

Legislative Compliance

- 3.1 With formal delegation around four months away, this report provides a 'round-up' of all legislative, regulatory and audit matters which must be addressed by the Council or by both Council and NHS Lothian prior to the date of delegation.

Integration Scheme

- 3.2 The Integration Scheme was the formal agreement between NHS Lothian and the Council which, when approved by Scottish Ministers, allowed for the establishment of the Edinburgh Integration Joint Board (EIJB). The Scheme included a range of agreed actions that needed to be put in place, many prior to the full delegation of functions to the EIJB.
- 3.3 Of the 23 high level areas of work, 18 have a 'RAG' status of green. Five are amber. These are:

- Review of Council committee remits to accommodate delegation to EIJB.
 - Professional/Technical and Administrative function. This is now influenced by the timeline for the Council's Business Support Services Programme. Interim arrangements may be required from the Council's perspective;
 - Financial Arrangements: Work is ongoing and is constrained by the budget setting processes and timelines in each of the constituent authorities.
 - Information Sharing: A joint meeting is planned with Information Commissioners Officer; and
 - Insurance arrangements for delegated services: Awaiting guidance from NHS Central Legal Office and Scottish Government
- 3.4 Work is in hand to progress each of these matters to meet the target date of 1 April 2016 and is overseen by the Joint Integration Leadership Group, chaired jointly by the Leader of the Council and Chair of NHS Lothian Board.

Strategic Plan

- 3.5 Formal delegation of functions and resources to the EIJB will take place on 1 April 2016, following approval of the Strategic Plan by the EIJB.
- 3.6 The three month public consultation on the first draft Strategic Plan ended on 31 October. Work is in hand to collate responses and allow consideration and responses by the Strategic Planning group of the EIJB.
- 3.7 The proposed schedule of approval of the Strategic Plan is as follows:

Stage	Date
Draft 1 Consultation	Ended on 31 October 2015
Revise Draft Plan	November 2015
EIJB Development Session on Revised Draft	Mid December 2015
Consult NHS Lothian and Council on Revised Draft Plan	January – February 2016
Final Approval of Strategic Plan by EIJB	Mid March 2016

- 3.8 In statute, the Council and NHS Lothian are formal consultees and must be consulted on the second draft of the Strategic Plan prior to formal approval by the EIJB.
- 3.9 GRBV Committee requested an update on how this response would be provided by the Council given the potential conflict of interest, i.e. experts within H&SC

who are preparing the Plan are also best placed to prepare the Council's consultation response.

3.10 Corporate Governance provided advice and have signed off the following approach:

- Officers in H&SC Directorate will prepare the first draft Council response;
- This will be reviewed and (if required amended) by senior officers within Services for Communities, Children and Families and Corporate Governance;
- The response will be submitted to Corporate Policy and Strategy Committee for formal approval at its January 2016 meeting; and
- The response will be submitted to the EIJB for its due consideration prior to final approval of the Strategic Plan in March 2016.

Assurance

3.11 Appendix 1 provides two tables of Council assurance matters to be addressed. These are:

- Table 1: Council Internal Audit recommendations; and
- Table 2: Council Corporate Programmes Office 'Health Check' recommendations.

3.12 A summary of progress and a RAG status is provided for each. It should be noted that:

- All work is in progress for the 1 April 2016 date.
- two key matters, such as approval of the Strategic Plan and the jointly agreed budget are at the heart of achieving many of the recommendations.

3.13 Both of the above matters can only be progressed in line with the budget setting processes of both constituent authorities and as a result cannot be completed until March 2016.

3.14 A summary of the Internal Audit matters is provided below.

Progress with Internal Audit

3.15 The Council's Internal Audit function audited the arrangements for integration in spring 2015. The Audit was signed off in July.

3.16 Most of deadlines for the completion of the management actions are still several months away. It should therefore be noted that no actions have slipped beyond agreed deadlines.

3.17 The following actions are complete or progressing well:

- The Chief Officer started in post on 26 October 2015;

- Appointment of Interim Finance Officer from August 2015;
 - Relevant remits of EIJB members;
 - Strategic Plan development and associated implementation preparations; and
 - Due diligence process for financial matters has started. EIJB signed off the Assurance Plan at its September meeting.
 - Agreement reached on share of Transition Fund 14/15.
- 3.18 Areas where proposals are developing and further progress is required:
- EIJB agree deadlines for key decisions and receive regular updates on progress.
 - Service Level Agreements for Professional/technical and Administrative functions - linked to Council Transformation BSS programme and timescale; and
 - Adult Social Care Transformation and Efficiency programme. First outputs estimated for January 16.

Measures of success

- 4.1 The Scottish Government has issued National Outcomes for the delivery of integrated Health and Social Care as part of the final regulations. These are as expected [National Health and Wellbeing Outcomes Framework](#).
- 4.2 The Strategic (Commissioning) Plan work stream is tasked with planning for the delivery of these outcomes for the services in scope. The Programme Sub Group on Performance and Quality is tasked with establishing local outcomes for measuring the success of the new Health and Social Care Partnership in relation to the national outcomes. A joint baseline has been developed and work is underway on a joint framework for the future.
- 4.3 The content of the Annual Performance Report is set out in regulations and includes performance with respect to the integration planning principles and in respect of localities.
- 4.4 The Edinburgh Integration Scheme outlines the process for determining the performance arrangements and for allocating responsibility for performance.
- 4.5 The EIJB has agreed to set up a Performance Sub-Group to ensure an integrated overview of the performance of functions and service re-design.

Financial impact

- 5.1 It is estimated that the Edinburgh Integration Joint Board will include a combined budget the first year of around £560 million; c£200 million of Council funds,

c£300 million of community health NHS Lothian funds, and an early estimate of acute hospital related 'set aside' funds of c£60 million.

- 5.2 The resources for the functions in scope will be delegated to the Integration Joint Board for governance, planning and resourcing purposes. The delegated resources will be subject to financial assurance in order for the Integration Joint Board to understand any underlying financial risks and to ensure that they are fair and reasonable.
- 5.3 The delegation of the resources means that spending decisions within the overall agreed budget will become the responsibility of the EIJB from 1 April 2016.
- 5.4 The Strategic Plan will identify how the resources are to be spent (at a high level) in order to deliver on the national outcomes and how the balance of care will be shifted from institutional to community-based settings. Planned variances will be retained by the Integration Joint Board, which will have the power to carry reserves.

Risk, policy, compliance and governance impact

- 6.1 A detailed risk log is maintained for the Integration Programme and is reported through the status reporting process to the Health and Social Care Partnership and through the Corporate Programme Office Major Projects reporting procedure.
- 6.2 Major risks to both the Council and NHS Lothian as a result of the programme of change are also identified on Corporate Management Team, Health and Social Care and NHS Lothian risk registers.
- 6.3 The approach to risk management for the Integration Joint Board and respective parties is set out in the Edinburgh Integration Scheme and the EIJB received a report on 17 July on proposals to develop its Risk Management Strategy. A further report is due at its meeting on 20 November

Equalities impact

- 7.1 The integration of health and social care services aims to overcome some of the current 'disconnects' within and between health and social care services for adults, to improve pathways of care and to improve outcomes.
- 7.2 The intention is to improve access to the most appropriate health treatments and care. This is in line with the human right to health.

- 7.3 A combined impact assessment procedure between NHS Lothian and the Council has been developed. This will be used for all impact assessments, as required across the joint service, once the Integration Joint Board is fully established.
- 7.4 The EIJB has been advised by the Equalities and Human Right Commission (EHRC) that the Equality Act 2010 applies to Integration Joint Boards. As a result the EIJB is required to publish a 'mainstreaming report and a set of equality outcomes by 30 April 2016.

Sustainability impact

- 8.1 The proposals in this report will help achieve a sustainable Edinburgh because:
- joint health and social care resources will be used more effectively to meet and manage the demand for health and care services
 - integrated services will promote personal wellbeing of older people and other adults in need of support; and
 - they will promote social inclusion of and care for a range of vulnerable individuals.

Consultation and engagement

- 9.1 Consultation and engagement form a key work stream in the programme. A number of events have taken place with managers and staff during the shadow arrangements.
- 9.2 The Integration Scheme to establish the EIJB was consulted upon widely. A full report on the consultation on the Integration Scheme was provided to Council on 30 April 2015.
- 9.3 A number of members of the EIJB, in line with statute, bring broader perspectives such as service users, carers and the third sector.
- 9.4 A comprehensive engagement programme is also underway to engage with a wide range of staff and stakeholders across the community in relation to the production of the Strategic Plan. The formal consultation on the draft plan will run from August to October. The Council will be a formal consultee on the second draft as noted above.

Background reading/external references

[Finance and Resources Committee - 29 October 2015, Health and Social care Integration Update](#)

[Finance and Resources Committee – 24 September 2015, Health and Social Care Integration Update.](#)

[Finance and Resources Committee – 27 August 2015, Health and Social Care Integration Update.](#)

[Finance and Resources Committee – 4 June 2015, Health and Social Care Integration Update](#)

[Finance and Resources Committee – 13 May 2015, Health and Social Care Integration Update.](#)

[City of Edinburgh Council – 30 April 2015, Health and Social Care Integration Scheme - Consultation Responses](#)

[Health, Social Care and Housing Committee – 21 April 2015, Health and Social Care Integration Update.](#)

[Finance and Resources Committee – 19 March 2015, Health and Social Care Integration Update.](#)

[City of Edinburgh Council – 12 March 2015, Health and Social Care Integration Scheme: Final for Submission.](#)

Finance and Resources Committee – 3 February 2015, Health and Social Care: Draft Integration Scheme Consultation.

Health, Social Care and Housing Committee – 27 January 2015, Draft Integration Scheme Consultation.

Corporate Policy and Strategy Committee – 20 January 2015, Health and Social Care Integration Scheme: Draft for Public Consultation.

Finance and Resources Committee – 15 January 2015, Health and Social Care Integration; General Update.

City of Edinburgh Council – 11 December 2014, Health and Social Care Integration Scheme; Update on Draft Integration Scheme.

Finance and Resources Committee – 27 November 2014, Health and Social Care Integration Update.

Finance and Resources Committee – 30 October 2014, Health and Social Care Integration Update.

Finance and Resources Committee – 30 September 2014, Health and Social Care Integration Update.

Finance and Resources Committee – 28 August 2014, Health and Social Care Integration Update.

Corporate Policy and Strategy Committee – 5 August 2014, Health and Social Care Integration – Options Analysis of Integration Models.

See reports above for earlier reporting.

Robert McCulloch-Graham

Chief Officer

Edinburgh Health and Social Care Partnership

Contact: Susanne Harrison, Integration Programme Manager

E-mail: Susanne.harrison@edinburgh.gov.uk | Tel: 0131 469 3982

Links

Coalition pledges	Ensuring Edinburgh and its residents are well cared for.
Council outcomes	Health and Wellbeing are improved in Edinburgh and there is a high quality of care and protection for those who need it.
Single Outcome Agreement	Edinburgh's citizens experience improved health and wellbeing, with reduced inequalities in health
Appendices	Appendix 1: High level Project Plan/Actions: Integration Compliance Matters

Appendix 1: High Level Project Plan/Actions: Integration Compliance Matters

Table 1: Audit Actions - Council Internal Audit

Table 2: Audit Actions - CPO 'Health Check'

Notes :

Italics denote any of: schedule slippage, risk, issue or complexity which influence RAG status.

CO – Chief Officer of Integration Joint Board

CFO – Chief Finance Officer of Integration Joint Board

Appendix 1: High Level Project Plan/Actions: Integration Compliance Matters

Table 1: Action required following Council Internal Audit

Ref	Item	When	Comments	RAG Status
1.1	Clear remit for Stakeholder Group following delegation of functions to EIJB (Once Leadership group stands down) (High Risk)	31 Dec 2015	Draft remit to go to Integration Leadership Group in December	GREEN
1.2	Appoint Chief Officer and CFO	31 Dec 2015	A Chief Officer (CO) and an Interim CFO are currently in position	GREEN
1.2	Implement Integration Scheme	1 April 2016	<p>Matters in relation to Integration Scheme are progressing well. Of 23 high level areas of work all are RAG status green with the exception of:</p> <ul style="list-style-type: none"> • Review of Council committee remits to accommodate delegation to EIJB • Professional/Technical and Administrative function. This is now influenced by the timeline for the Council's Business Support Services Programme. Interim arrangements may be required from the Council's perspective • Financial Arrangements: Work is ongoing and is constrained by the budget setting processes and timelines in each of the constituent authorities. • Information Sharing: A joint meeting is planned with Information Commissioners Officer • Insurance arrangements for delegated services: Awaiting guidance from NHS Central legal Officer and Scottish Government 	GREEN

Appendix 1: High Level Project Plan/Actions: Integration Compliance Matters

1.2	The relevant remits and documents demonstrating the aims of the EIJB in the coming period should be written and used	1 April 2016	<ul style="list-style-type: none"> National guidance on EIJB Role and Remit circulated. IJB members Induction programme. Presentation on assumptions and dependencies prepared Updated Integration briefing for new Chief Officer and new Interim Localities Managers. Briefing scheduled for 5 Nov. Strategic Plan consultation reaching large number of consultees - over 150 groups etc. Briefing jointly with BSS programme regarding EIJB and integrated structure requirements 	GREEN
1.2	Complete First Strategic Plan	1 April 2016	<p>All statutory matters in relation to the Strategic Plan are progressing well and are on track. Of the six high level areas of work all are RAG status GREEN</p> <p>Schedule for completion is on track :-</p> <p>Consultation on first draft completed to schedule.</p> <p>EIJB development session planned for December.</p> <p>Approval by EIJB scheduled for March 2016 in align with budget setting process. (N.B. Plan must include financial statement)</p>	GREEN
1.2	Develop Business Cases and implementation plans for relevant areas of the Strategic Plan including any changes to financial spend	During 15/16	<p>Template for Business cases in preparation. First Draft with officers for comment.</p> <ul style="list-style-type: none"> Interim CFO working on EIJB 	GREEN

Appendix 1: High Level Project Plan/Actions: Integration Compliance Matters

			'directions' for financial spend.(to be incorporated above)	
1.2	Appoint Interim CFO	August 2015	Complete	GREEN
1.3	EIJB should agree fixed deadlines for key decisions to be made and both partners should confirm that outcomes must be agreed by this point to allow delegation to occur on 1 April 2016	1 April 2016	<i>CO to determine approach for updating EIJB</i> <i>Linked to Performance Framework development</i>	AMBER
1.3	A detailed implementation plan should be prepared	31 Dec 15	High level implementation plan drafted. Strategic Plan will capture more detailed actions Business cases and implementation plan will capture the detail of each major programme of change –see reference to draft BC template above Managing dependencies between multiple programmes required	GREEN
1.3	Monitor Project Plan	Ongoing	F&R summary updated monthly. Detailed programme tracker updated every two months and reported through Council CFO. Lothian –wide Project plan updated monthly	GREEN
2.1	EIJB should continue to develop its risk function as the shape of the Strategic Plan becomes clearer	1 April 16	Report presented to EIJB at its first meeting on 17 July. Second report proposing the approach for the IJB to establish its risk appetite, tolerance and management arrangements is due for 20 November, subject to agreement by the Chair	GREEN
3.1	Skill Mix and resources to deliver:	31 Oct 15	Workshops undertaken jointly with BSS in Sept/Oct. Outputs to feed into operational	GREEN

Appendix 1: High Level Project Plan/Actions: Integration Compliance Matters

	Undertake BSS workshops/Focus Groups		models for BSS and professional functions. Timelines for Council delivery and for EIJB requirements to be aligned	
3.1	Implement integrated management structure	30 April 16	CO in post Interim arrangements for CFO and Localities Managers CO to determine final arrangements	
3.1	Establish SLAs for professional/ technical and support services	1 April 16	<i>To be raised with new CO to decide how the negotiations with NHS Lothian will take place and who will prepare SLAs as required.</i>	AMBER
3.2	EIJB receives regular update on progress against project plan milestones	Ongoing	Chair and Vice Chair are members of Integration Leadership Group so receive updates and LG minutes are circulated to EIJB. <i>Propose EIJB receive 'status reports' - to be discussed with CO.</i>	AMBER
4.1	EIJB completes Strategic Plan and assure budget Alignment of Services to be clearly documented	31 Mar 15	Strategic Plan on track for delivery. Council service budgets have been aligned to Plan. NHS service budget ongoing. Dependencies to be clarified with other transformation programmes which are running in parallel.	GREEN
4.1	KPMG and Adult social Care transformation/efficiency programme to address current budget pressures	31 Mar 15	Programme started. <i>Dependencies with Strategic Plan require clarification</i>	AMBER
4.1	Due Diligence process for EIJB 2016/17 budget	1 April 16	EIJB signed off Assurance Plan at September 2015. Work ongoing. <i>Budget pressures noted.</i>	AMBER

Appendix 1: High Level Project Plan/Actions: Integration Compliance Matters

4.2.1	Monthly Financial Monitoring and analysis of cost data	30 Sept 15	Ongoing	GREEN
4.2.1	CLG to determine approach for managing overspend	30 Sept 15	<p>Programme started – see 4.1 above, KPMG adult social care programme</p> <p>Established Oct 15 to consider all cost savings, cost data and the nature of 'the problem'.</p> <p><i>Estimate of initial outputs due January 16.</i></p>	AMBER
4.2.2	<p>Establish cost of Integration programme so far.</p> <p>Establish protocol for drawn down of transition funding</p>	31 Dec 15	<p>Detailed costs established for 14/15. Agreed for part of costs borne and draw down complete. EIJB to determine carry over spend in 2015/16.</p> <p><i>Current resource allocation is 1.7 FTE and staff from 'business as usual'. Due to end on 31 December 2015.</i></p> <p>Interim posts drawn from within existing resources.</p> <p>Transition Fund budget prioritised for Leadership and team development programme</p>	AMBER
4.3	Clarification of how overspend will be managed		<p>Focus on robust budgets for 16/17.</p> <p>Integration Scheme addresses process at high level. Due diligence to address detail.</p>	AMBER

Appendix 1: High Level Project Plan/Actions: Integration Compliance Matters

Table 2: Action required following Council CPO 'Health Check'

	Item	By When*	Status/ Comments	RAG Status
1	It is recommended that the remit is agreed for the Stakeholder Group prior to the delegation of functions to the EIJB.	SD	Draft for Integration Leadership Group in December	GREEN
2	The Business case should be updated at all key stages of the programme and ideally in conjunction with NHS Lothian	SD	<p>The Strategic Plan, Financial Statement and content of Performance Framework will form the next stages of the Business Case.</p> <p>A draft high level implementation plan has been prepared</p> <p>More detailed Business cases will then be worked out for the major programmes of change</p>	GREEN
3	The Programme Plan is reviewed regularly and when a detailed plan is presented the most up to date version is always presented.	Ongoing	<p>The programme tracker is an internal working document for the programme team and work stream leads.</p> <p>The Status report is provided every two months and gives an update for the period. This document can provide a progress statement of the major compliance actions</p> <p>An update report is provided to CLG to raise issues and emerging risks</p> <p>A monthly report is provided to Finance and Resources Committee on major progress. This is now referred to GBV&R as required.</p>	GREEN
4	The Programme should consider the provision of	Now	Use of 14/15 Transition monies agreed	AMBER

Appendix 1: High Level Project Plan/Actions: Integration Compliance Matters

	additional resource to manage 'touch points' with other key projects and programmes where dependencies have been identified to ensure there is clarity		Transition monies did not cover all programme costs. A portion was drawn down <i>Current dedicated programme resource cease on 31 December 2015</i>	
5	The IJB, once formed, should review the activities required through to the 1 st April 2016 and put processes in place to ensure the right mix of skills and number of resources are in place particularly in relation to change where there will be a significant requirement to ensure there is a smooth transition to commence work required to deliver integrated services.	Now	EIJB should review this high level plan <i>CO to consider approach.</i>	AMBER
6	The following documentation should be reviewed and if required updated for IJB approval, (i) Stakeholder maps and engagement plans, (ii) Communication plan, (iii) Involvement campaigns,(iv) Training and coaching plans.	SD	EIJB has been updated on Strategic Plan approach and stakeholder engagement / communications and involvement. <i>HR/OD /Workforce elements covering Training and Coaching will form part of Strategic Plan (enabler)</i>	AMBER
7	Undertake a workshop with key stakeholders within NHS Lothian and the Council to ensure there is a common understanding of activities, timelines, roles and accountabilities to ensure all activities for the Implementation of the Strategic Plan and service re-design are delivered by 1 st April 2016.	SD	<i>Consider once new CO in place</i>	AMBER

Version date: 4 November 2015