Inverclyde council

NHS Greater Glasgow and Clyde

AGENDA ITEM NO: 7

Report To:	**Health & Social Care Committee**	**Date: 29th August 2013**
Report By:	**Brian Moore** **Corporate Director** **Inverclyde Community Health & Care Partnership**	**Report No:** **SW/04/2013/HW**
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Subject:	**Potential Implications of the Public Bodies (Joint Working) (Scotland) Bill**	

1.0 PURPOSE

1.1 The purpose of this paper is to profile some of the issues raised by the Public Bodies (Joint Working) Scotland) Bill published on 28th May 2013, and provide an initial basis for further discussion on the potential implications of the Public Bodies (Joint Working) (Scotland) Bill in Inverclyde.

2.0 SUMMARY

2.1 The Bill aims to provide a framework for integrating health and social care services in a way that will support improving the quality and consistency of health and social care services across Scotland.

2.2 The Bill provides two options for integrating budgets and functions. First is delegation by both the Local Authority and Health Board to an integration joint board, similar to the current arrangements in Inverclyde. The second option is delegation between partners, where the Health Board and/or the Local Authority delegates functions and their corresponding budgets and other resources to the other partner (similar to the Highland model).

2.3 Whilst the first option is more closely aligned with our own current arrangements, there are a number of considerations that require further exploration.

3.0 RECOMMENDATIONS

3.1 That the Health and Social Care Committee note the attached paper.

3.2 That further updates be brought to the Health and Social Care Committee.

Brian Moore
Corporate Director
Inverclyde Community Health & Care Partnership

4.0 BACKGROUND

4.1 The Public Bodies (Joint Working) Scotland) Bill was published on 28th May 2013, following a consultation paper issued in May 2012. The Scottish Government was clear within the consultation that the principle of integration was not negotiable, but rather that the consultation was about clarifying some of the detail in terms of how integration would, could or should work.

4.2 Some aspects of the Bill reflect our own current arrangements, however there are a number of considerations that require further exploration. Regulations and statutory guidance will require Health Boards and Local Authorities to integrate services for adults, which will be the minimum level of integration required by law. Regulations will also allow for voluntary integration of further functions, in line with the current Inverclyde arrangements where the full range of Social Work Services are included within the CHCP, as are community based NHS services.

4.3 Under the terms of the Bill, there will be a requirement to establish an integration authority to deliver nationally agreed outcomes for health and social care. Currently we have an enhanced partnership with lines of accountability back to both parent organisations (Inverclyde Council and NHS Greater Glasgow & Clyde). The Bill proposes a 'body corporate' governed by a joint board, and serviced by a Chief Officer. This will mean some important changes in governance arrangements, however accountability to the parent bodies will remain.

4.4 The Bill is currently at stage 1 of the parliamentary process, and this stage is due to be completed by 6th December 2013. It is expected that it will progress to Royal Assent in Spring 2014, with implementation being around April 2015. Draft regulations and guidance are expected to be issued after Royal Assent and before the Bill is finalised and implemented.

4.5 There is an expectation that each local authority will have shadow arrangements in place by April 2014. Many non-integrated authorities are beginning to establish their shadow arrangements however, in common with other CHCPs, Inverclyde's current arrangements should provide a robust shadow structure. There are a number of areas of the Bill and its potential implications though that require to be clarified.

5.0 AREAS FOR DISCUSSION

5.1 Governance

Under the body corporate model, an integration joint board would be established with functions and budgets acquired through delegation from the Health Board and Local Authority. The body corporate would be accountable to the integration joint board and would be led by the Chief Officer, appointed by the integration joint board and jointly accountable through the board to both Local Authority and Health Board. The Chief Officer would be responsible for the management of the integrated budget and the delivery of services. The role of the current CHCP Corporate Director appears to be aligned to the description of the Chief Officer role, and the role of the integration joint board seems broadly similar to that of the current CHCP Sub-Committee. An important distinction would be that CHPs (and therefore CHCPs) would be removed from statute. Clarity would be required as to whether the CHCP Sub-Committee, in evolving to the integration joint board, would become a full joint Committee in its own right. Currently Council requirements are met by the CHCP Sub-Committee having a reporting and governance line to the Health & Social Care Committee which meets annually and delegates its powers to the Sub-Committee. The Bill would require the integration joint board membership to have Elected Members and Health Board non-Executives. This requirement needs to be reconciled with current requirements that Council Committees are populated exclusively by Elected Members.

5.2 The Bill does not require integration joint boards to become separate entities in their own right, but it does *allow* for this as an option through a process of secondary legislation. This would not remove local government oversight (insofar as accountability arrangements would be unaltered and the reporting arrangements and budgetary control would still rest with the Council and Health Board), but it would allow those partnerships that were so inclined to invest employment and borrowing powers in the integration authority.

5.3 Integration Plan

Partners will have to agree how they intend to integrate services through an 'integration plan', the detail of which will include the model of integration to be used, along with the functions and resources to be delegated. The integration plan must also cover a wide range of other partnership issues, such as provision for dispute resolution, financial management, staff governance and clinical and care governance. In some respects this could be a revision of our current Scheme of Establishment, however statutory guidance is still to be provided by the Scottish Government regarding the detailed content of the integration plan. The integration plan will be signed-off by the Council, Health Board, and Scottish Government.

5.4 Commissioning Plan

Once established, the partnership will be under a duty to produce a joint commissioning plan, which will set out the detailed arrangements for planning and delivery of health and social care functions in its area, as well as the outcomes to be achieved from the integrated budget. Scottish Ministers will set national outcomes that integration joint boards will be required to deliver. Again, our Directorate Improvement Plan and associated workstreams such as the Commissioning Strategy could potentially provide the planning architecture to meet this requirement, although they will have to be reviewed once the national outcomes are set to ensure that we are covering all aspects of the guidance.

5.5 Joint Planning Arrangements

There will also be a requirement for us to jointly plan, not only across the Council and Health Board, but also with the Third Sector. Future planning arrangements for hosted and NHS board-wide services need to be defined, and a collaborative approach with neighbouring local authorities and health boards is encouraged.

5.6 Links with Community Planning Partnerships are also required.

5.7 Workforce

The Bill does not set an expectation that under the body corporate model the integration joint board will directly employ staff, therefore there will be no requirement for TUPE arrangements. However the Bill allows for the body corporate to directly employ staff at a later stage if it is required at a local level for effective working and delivery.

5.8 Following discussion with the Chief Executive of Greater Glasgow & Clyde, the Chief Executives of East Renfrewshire, Inverclyde and West Dunbartonshire Councils have proposed the establishment of a working group to develop a plan to transition the current CHCPs to shadow Health and Social Care Partnerships by April 2014.

The new Partnerships will be different from the present arrangements but the aim is to ensure that shared objectives, values and ways of working which have developed in existing CHCPs are continued into the new arrangements.

The intention is that the Group will bring forward proposals to draft integration

agreements covering:-

- Services and functions to be included;
- Arrangements for support services;
- Financial arrangements and approach to budget setting.
- Relationship to parent bodies;
- Transition of current management teams;
- Accountability, planning and performance arrangements;
- Approach to acute services.
- Relationship to community planning.
- Health improvement resources and leadership.
- Accountability for hosted services.

5.9 Finance

The Bill proposes that budgets will be integrated. This is different from our current aligned arrangements and Financial Regulations and Standing Orders will need to be reviewed accordingly. There will also be a requirement for integration joint boards to have their own audit arrangements however it is recognised that these are likely to be provided by the auditors of either of the parent bodies.

The Bill recognises that different VAT arrangements are in place for Health Boards and for Local Authorities. Health Boards can only reclaim VAT on certain specified services whereas Local Authorities (with a few minor exceptions) have full VAT recovery.
The Scottish Government has stated that it will work with HMRC to develop new guidance to ensure that integration delivers a cost-neutral position in terms of VAT.

Inverclyde is represented on the national Financial Management and Planning Resources workstream, with the key remit of this group to produce guidance on how the integrated budgets will operate.

5.10 Acute Sector Services

The Bill allows for the transfer of some acute sector services to be managed as part of the integration joint board. The detail of this has still to be developed and we expected further guidance on this key issue.

In a separate piece of work, ICHCP have been scoping activity patterns of Acute services usage in respect of Inverclyde residents, both within and outwith the IRH (e.g. Inverclyde people attending RAH; Beatson; RHSC etc). As well as this we are scoping usage of IRH services by non-Inverclyde residents.

This work aims to help us understand patient pathways that interface between acute, secondary, primary and social care and so should in future inform locality planning arrangements.

6.0 CONCLUSION

6.1 The Public Bodies (Joint Working) (Scotland) Bill will have implications for Inverclyde CHCP despite the fact that we are already firmly on the road to both structural and cultural integration. We will still be required to produce an integration plan in line with the guidance once issued, and there might be a need to revisit some of our financial and corporate governance arrangements.

Our Directorate Improvement Plan may need to be revised to reflect the national outcomes and guidance once these are issued, and this will be done in the context of emerging models from the current Clinical Services Review that might also include opportunities to transfer some services from the IRH to our local integrated arrangements.

7.0 IMPLICATIONS

7.1 Legal:

Legal implications will become clearer once the guidance documents are published.

7.2 Finance:

There are no financial implications in respect of this report.

Cost Centre	Budget Heading	Budget Year	Proposed Spend this Report	Virement From	Other Comments
N/A			N/A		

7.3 Personnel:

See Section 5.7.

7.4 Equalities:

The Scottish Government has undertaken an Equalities Impact Assessment on the Bill and concluded that the legislation will not directly or indirectly discriminate on any of the protected equalities characteristics.

7.5 Repopulation:

There are no repopulation implications in respect of this report.