

## REONSE TO THE CONSULTATION ON THE REVISED ARGYLL AND BUTE HSCP INTEGRATION SCHEME.

### Our understanding of the background to this proposal by Argyll and Bute Council and NHS Highland

1. The Integration Scheme sets out the “rules” by which Argyll and Bute Council (broadly responsible for social care services in Argyll and Bute) and NHS Highland (broadly responsible for health service provision in Argyll and Bute) delegate their responsibilities for service provision to a separate body - the Argyll and Bute Health and Social Care Partnership (HSCP).
2. Integration schemes exist across Scotland, but vary from area to area in terms of their content (we return to this issue of local variation later in this response).
3. Integration schemes must be reviewed by local partners every 5 years, with submissions to Scottish Government.
4. The Integration Scheme for Argyll and Bute must be revised and submitted to government by 2021 (we return to this issue of timing later in this response).
5. Some “rules” around integration are set by Scottish Government and cannot be changed by the partners, for example, all health and social care partnerships must have delegated responsibility for a core group of services and submit a balanced budget to Scottish Ministers each year.
6. Some “rules” about how the partners work together can be set by the partners themselves. This includes which additional services will be delegated to the partnership to design, manage and make investments in, how partners will decide how much money they are investing in the partnership, and how they will act if they cannot achieve a balanced budget in the partnership. The Integration scheme is therefore not simply a technical document as some may infer from the way in which it is being presented in this consultation; it has far reaching consequences for service provision in Argyll and Bute for the next 5 years.

### Our understanding of the process which has been followed to arrive at the current proposal

1. A working group was set up in 2019 to revise the current integration scheme. The advisor to this group was the Standards Officer for the Council and the HSCP.
2. In response to a question by a non-voting Board Member at the Integration Scheme being session of Integration Joint Board (IJB) of 27<sup>th</sup> November 2019, the Standards Officer confirmed that the issue of which services should be delegated to HSCP was not a matter within the scope of the working group as “senior people” had made that decision at the start (we return to this issue later in this response).
3. In response to a written question by the same IJB non-voting member, the Standards Officer confirmed that the processes set out within the HSCP’s revised Engagement Framework (an excellent document which follows international best practice to set out how HSCP should engage with stakeholders) had not been used for this piece of work since it is an agreement between partners (we return to this issue later in this response).
4. The Standards Officer did not respond to a written request by an IJB Board Member as to the composition of the working group and how the community and third sectors were represented on that group (we return to this later in this response).

### HSCP budget challenges and the Integration Scheme

1. The HSCP in Argyll and Bute has been unable in 2018/19 and so far in 2019/20 to operate within the financial contributions afforded it by the partners to the current agreement – Argyll and Bute Council and NHS Highland.
2. A significant cost-cutting programme has been in place throughout 2018/19 and 2019/20 in an attempt to eliminate the deficit of HSCP, but it is still forecast that at year end in March 2020, the HSCP will still be unable to operate within the budget afforded it by partners.
3. The HSCP is also facing a demand for payment for 2018/19 and 2019/20 which was not budgeted. This arises because currently acute (hospital) services are not only delegated from NHS Highland to the HSCP within the Integration Scheme, but are then further delegated in terms of delivery to NHS Greater Glasgow and Clyde which has increased the price of service provision.
4. The HSCP is also in debt because it is expected to pay back loans from Argyll and Bute Council for sums of money lent to it to cover prior year deficits.
5. The recurring deficit position, the debt to NHS Greater Glasgow and Clyde and the debt to Argyll and Bute Council are documented in successive IJB papers which are public documents.
6. A paper presented by the outgoing Chief Executive of Argyll and Bute Council to the IJB meeting of 27<sup>th</sup> November 2019 pointed to the very serious impact that the continued excess demand on revenue from the council to support the HSCP budget would have on other council services; again this is a public paper.
7. The scale of the cost-cutting exercise that HSCP is expected to have to implement in 2020/21 and beyond, to balance its books is massive and the HSCP under current legislation cannot fail to submit a balanced budget to Scottish Ministers. In other words, unless there is a greatly increased financial contribution from the partners who delegate services to HSCP, the HSCP will have to plan for and then deliver very substantial cuts in expenditure in order to be able to make its budget submission to Scottish Government for 2020/21 and beyond.
8. Since the Scheme of Integration document is the legally binding agreement that sets out how both partners will financially contribute to the HSCP budget and manage shortfalls, it is not merely a technical document as may be inferred from the way in which it is being presented in this consultation, it is at the very heart of how partners will manage their contributions to the HSCP budget for the 5-year period following its agreement.

#### Deciding which services should be delegated to the HSCP

1. In the current scheme of delegation specific decisions were made to include Children and Families Social Work and Criminal Justice Social Work.
2. The most unusual aspect of the current Argyll and Bute Scheme of Integration is that the HSCP in Argyll has delegated responsibility for acute (hospital) services. These services are normally the responsibility of the relevant NHS health board.
3. A further anomaly of the current arrangements in Argyll and Bute is that although the HSCP has delegated responsibility for these services, they are mainly provided by NHS Greater Glasgow and Clyde; in other words, their delivery is actually delegated back to a health board, albeit a different Board to that which receives NHS funding from Scottish Government.
4. The choice of which services to delegate to an HSCP by way of agreement in the scheme of delegation is very important in several respects, as illustrated in points 5-8 below – services delegated to an HSCP have different people making decisions about service provision and budgets than those services which sit with parent bodies.

5. There is an issue of which organisation directly holds financial risk when legislation changes and is expected to find funding to meet the changes: for example, in the case of Criminal Justice Social Work, currently delegated to HSCP, new guidance to courts in Scotland is in respect of a presumption against short sentences, which in turn is expected to greatly increase the work of criminal justice social work teams across the country. At present this function is delegated to HSCP, so any additional burden of work that requires additional resourcing will fall to the HSCP and its already over-stretched budget unless it is exactly matched by an additional contribution from the relevant parent organisation. If this additional burden is not funded the HSCP must find savings from elsewhere in its budget.
6. A further choice is over who controls service design and the future costs of service delivery: for example, the trend in acute service provision is away from multiple general hospitals providing a wide range of acute services and towards fewer more specialist units covering a wider geographical area. In the case of services provided by Greater Glasgow and Clyde a very likely scenario as this trend develops is people from Argyll and Bute having to travel greater distances for treatment with increased costs for transport, accompaniment to appointments and overnight stays, creating significant budget pressures for HSCP to whom these services are currently delegated unless the parent body meets these extra costs in full.
7. There is a question of whose organisational policies and procedures govern consultation with the public about service provision is carried out: the HSCP has different consultation mechanisms from either the council or the health board.
8. Finally, there is the issue of who ultimately makes strategic decisions about service provision and how much should be spent on individual services. For example, in the case of acute (mainly hospital) services, the normal model operating in Scotland means that a health board makes these decisions with the Board of decision-makers comprising a mix of executive and non-executive directors. When acute services are delegated to an HSCP decisions are made not by the whole Integration Joint Board but by a subset of members of IJB called “voting members”, comprising 4 members of the health board (in this case NHS Highland) and 4 politicians, whose appointment to the Integration Joint Board is determined purely by the council.
9. The Scheme of Integration is critically important to communities in Argyll and Bute because it sets out very specifically which of their services will be delegated to the HSCP, and therefore by implication, how people will be consulted about service provision, which organisation will be responsible for the design of these services, how money will be allocated to fund services, and how partners will support the HSCP in financial terms if the delegated budgets are insufficient to fund the specific mix of services that has been delegated.

#### Specific comments in respect of funding arrangements between the partners

The Integration Scheme being proposed by Argyll and Bute Council and NHS Highland Health Board proposes the following arrangements for funding services delegated to HSCP. We have highlighted what we believe to be particularly relevant sections in *italics*.

8.2.1 Argyll and Bute Integration Joint Board's Strategic Plan will incorporate a medium term financial plan for its resources. On an annual basis, the annual financial statement will be prepared setting out the amount Argyll and Bute Integration Joint Board intends to spend to implement its Strategic Plan. This will be known as the annual budget. *The medium term financial strategy will be prepared for Argyll and Bute Integration Joint Board following discussions with the Council and NHS*

*Highland who will provide a proposed budget based on payment for year 1, indicative payments for year 2 and 3 and outline projections for later years. The medium term financial strategy will be used in conjunction with the Strategic Plan to ensure the commissioned services by Argyll and Bute Integration Joint Board are delivered within the financial resources available.*

*8.2.2 ....There is an expectation that it will deliver the objectives of the Strategic Plan within agreed resources. Argyll and Bute Integration Joint Board cannot approve a budget which exceeds resources available.*

*8.2.5 The budgets will be based on recurring baseline budgets plus anticipated non-recurring funding for which there is a degree of certainty for each of the functions delegated to Argyll and Bute Integration Joint Board and will take account of any applicable inflationary uplift, planned efficiency savings and any financial strategy assumptions. These budgets will form the basis of the payments to Argyll and Bute Integration Joint Board.*

*8.2.18 Where it is forecast that an overspend will arise, then the Chief Officer and Chief Financial Officer of Argyll and Bute Integration Joint Board will identify the cause of the forecast overspend and prepare a recovery plan setting out how they propose to address the forecast overspend and return to a breakeven position.*

*8.2.20 Where recovery plans are unsuccessful and an overspend occurs at the financial year end, and there are insufficient reserves to meet the overspend, then the Parties will consider making interim funds available.....Any interim funds provided by the Council or NHS Highland will be repaid in future years based on a revised recovery plan agreed by both parent bodies.*

Our comments on the proposed funding arrangements of HSCP and therefore of the services provided are as follows:

1. The proposed reliance on “recovery plans” seems to be somewhat naïve. The HSCP has had recovery plans in place for each of the past 2 years, rigorously enforced in 2019/20 through the so-called “Grip and Control” programme. This has not resulted in the HSCP being able to deliver the services delegated to it within the financial parameters set by the parent organisations.
2. Despite the fact that HSCP has a recurrent deficit and growing levels of indebtedness to parent organisations, the funding mechanism proposed by partners in the new Integration Scheme is to broadly maintain the current baseline budget, to lend money to HSCP to cover deficits, and then to ask the HSCP, which cannot balance its budget, to additionally pay back loans.

#### Participation and Engagement

The legislation governing revision of integration schemes states:

.... the local authority and the Health Board must jointly consult—

(a)such persons or groups of persons appearing to the Scottish Ministers to have an interest as may be prescribed, and

(b)such other persons as the local authority and the Health Board think fit.

Argyll and Bute Council and NHS Highland state within this revised Integration Scheme, which they intend submitting to Scottish Government Ministers, that:

9.1 A joint consultation took place on the revised Integration Scheme took place during December/January 2019/20. The stakeholders who were consulted in this joint consultation were:

- Local communities / general public
- Health professionals; GPs, management teams, clinical groups including Nursing Staff and Allied Health Professionals
- Social work and social care professionals
- Users of health services
- Carers of users of health care
- Commercial providers of health care
- Non-commercial providers of health care
- Argyll and Bute Council employees
- Staff side / Trades Unions
- Users of social care
- Carers of users of social care
- Commercial providers of social care
- Non-commercial providers of social care
- Non-commercial providers of social housing
- The Highland Council
- Argyll and Bute Public Partnership Forums
- Community / voluntary / Third Sector organisations
- Community Councils
- Argyll and Bute Council - local Councillors
- Scottish Ambulance Service
- NHS 24
- Scottish Health Council
- Local MPs / MSPs
- Dentists
- Pharmacists
- NHS Greater Glasgow & Clyde
- Police Scotland
- Scottish Fire & Rescue
- Argyll and Bute Advice Network (ABAN)
- Lomond & Argyll Advocacy Service
- Citizens Advice Bureau / Patient Advice & Support Service (PASS)
- Argyll and Bute Community Planning Partnership

The partners state that:

9.2 The range of methodologies used to contact these stakeholders included both Parties' websites and intranets, third sector external website, e-mail and postal correspondence.

In the same review of the Integration Scheme document, the partners refer to the arrangements for consultation and engagement about health and social care services in Argyll and Bute, stating:

9.3 The Communication and Engagement Strategy, along with the supporting Engagement Framework and Quality standards provides a platform for stakeholders to have their voices heard, their views considered and acknowledged, as well as strengthening relationships and building capacity.

The aforementioned Engagement Framework was introduced in Argyll and Bute in 2019 after a long period in which members of the community and community organisations/3<sup>rd</sup> sector organisations had become extremely disillusioned with their lack of access to influence local health and social care provision. The framework was developed with the involvement of a range of stakeholders and is based on international best practice. This framework, into which there was a very high standard of input, was unanimously adopted by IJB and with the support of many partners has been widely promoted within Argyll and Bute communities as addressing previous concerns and introducing a new level of transparency in how decisions are made about health and social care services.

Despite being quoted within the revised Integration Scheme, as outlined above, this framework has not been used for this critical piece of work. The reason given by HSCP, in a written response to an IJB non-voting member being: "*The IJB continue to be informed but the work takes place with the parent bodies, the council being nominated to lead on the engagement by the partners as such not an HSCP piece of work.*"

The Engagement Framework in general terms ensures input from communities and other interested stakeholders at a sufficiently early stage to inform the formulation of policy and plans, not at an end stage under the guise of consultation, when decisions have to all intents and purposes already been made. It is our belief that the failure to adopt the best practice laid out in the Engagement Framework agreed for Argyll and Bute's health and social care provision has directly led to the glaring weaknesses within the proposed Revised Integration, specifically:

1. The partners have failed to put forward for consideration by communities in Argyll and Bute options for services that are to be delegated to the HSCP with clear information about the advantages, disadvantages and risks associated with these services being delegate to the HSCP. There was clearly never any intention to do so since the answer by the Standards Officer at the 27<sup>th</sup> November 2019 confirmed that these decisions had been made by "senior people" at the start of the process and had not formed part of the brief of the working group.
2. The partners have failed to properly and fully explain within the Revised Scheme of Delegation how they intend to make arrangements to adequately fund the services they delegate to HSCP in the future.

The guidance from Scottish Government that governs the revision of the Integration Scheme clearly sets out the following requirement, with subsection 4 being the engagement with all relevant stakeholders:

In finalising the revised integration scheme, the local authority and the Health Board must take account of any views expressed by virtue of subsection (4).

It is our contention that in depriving communities in Argyll and Bute of the opportunity for informed and meaningful engagement on which services should be delegated to HSCP, and, to a lesser extent, full information on how funding arrangements should work between partners, these partners are not in a position to satisfy the requirement of Scottish Ministers to take into account the views of stakeholders.

#### Our feedback on what should happen next

Subsection (6) of the guidance on revised integration schemes refers to the stage of the process which is the submission of the Revised Integration Scheme to Scottish Government for its consideration.

Taking into account the requirement of Scottish Government that:

Before complying with subsection (6), the local authority and the Health Board must jointly consult—

(a)such persons or groups of persons appearing to the Scottish Ministers to have an interest as may be prescribed, and

(b)such other persons as the local authority and the Health Board think fit.

(5) In finalising the revised integration scheme, the local authority and the Health Board must take account of any views expressed by virtue of subsection (4).

It is our contention that the partners cannot submit the current proposed revised scheme of delegation and that the “consultation” exercise needs to be undertaken again. We would propose that this engagement process includes:

1. Extensive communication with stakeholders about what the Integration Scheme is and what it means for people in terms of their health and social care services, with a particular emphasis on encouraging participation so that the widest possible range of views can be reflected in the partners’ submission to Scottish Ministers. To increase the credibility of this exercise, we propose the partners adopting the principles of the Engagement Framework as quoted within the Integration Scheme document itself, and as promised to the citizens of Argyll and Bute in 2019 as being the new standard for engagement on health and social care matters.
2. The production of a clear and unambiguous options appraisal that clearly sets out all of the options for delegation of services from partners to HSCP, with the implications and risks attached to each option and the subsequent presentation of this information to both communities of geography and communities of interest so that they can make the decision about what additional services they wish NHS Highland in particular, but also Argyll and Bute Council, to delegate to HSCP. They should be fully informed about the implications in respect of who are the decision-makers that will take decisions as to these services in each scenario. In keeping with the principles of the Engagement Framework, a significant number of stakeholders should be involved in shaping the options appraisal and engagement messages.
3. A much clearer explanations of the mechanisms by which the two partners– Argyll and Bute Council and NHS Highland- will ensure sufficiency of funding for the services which they delegate to HSCP, the avoidance of deficits being created within the partnership organisation, and the elimination of the need for repayable loans to be put in place which simply serve to put extraordinary levels of financial pressure upon the HSCP in future years.

**Third Sector Interface in Argyll and Bute**

**15<sup>th</sup> January 2020**