



Minutes of a meeting of the **Integration Shadow Board** held on Monday 28 April 2014 at 2.00pm in the Board Room, Newstead

Present:
Cllr C Bhatia
Mrs P Alexander
Mr D Davidson
Dr J Kirk
Cllr J Mitchell
Cllr F Renton
Dr D Steele
Cllr J Torrance
Dr S Watkin

In Attendance:

Mr C Campbell	Mrs J MacDiarmid
Dr E Baijal	Mrs C Gillie
Mr D Robertson	Mrs F Morrison
Mrs E Torrance	Mrs E Fleck
Miss I Bishop	Dr E Baijal
Mrs J Wilkinson	

1. Apologies and Announcements

Apologies had been received from Cllr David Parker, Cllr Sandy Aitchison, Dr Stephen Mather, Mrs Tracey Logan, Dr Sheena MacDonald, Mrs Jenny Miller, Mr Andrew Leitch, Mrs Laura Jones, Mrs Karen McNicoll.

Cllr Catriona Bhatia assumed the role of Chair with the support of the Integration Shadow Board.

The Chair confirmed the meeting was quorate.

2. Declarations of Interest

The Chair sought any verbal declarations of interest pertaining to items on the agenda.

The **INTEGRATION SHADOW BOARD** noted there were none.

3. Minutes of the Previous Meeting

The minutes of the Scottish Borders Community Health & Care Partnership (CH&CP) Board meeting held on 24 March 2014 were considered.

The minutes of the Health and Social Care Pathfinder Board meeting held on 24 March 2014 were considered.

The **INTEGRATION SHADOW BOARD** noted the minutes.

4. Matters Arising

4.1 CH&CP Minutes: It was noted that Children and Housing would appear as standing items on future Integration Shadow Board meeting agendas.

4.2 CH&CP Action Tracker: The CH&CP Action Tracker was noted and it was agreed that the two outstanding matters, Early Years Collaborative reports and Change Fund Exit Strategy, would be agenda items for the next Integration Shadow Board meeting in June.

The **INTEGRATION SHADOW BOARD** agreed the above actions.

5. Programme Highlight report

Mrs Elaine Torrance gave an overview of the structure behind the Integration Shadow Board. She highlighted a range of work that had been undertaken including issues and risks that had been identified and work that would be undertaken within the next reporting period.

Mr David Davidson enquired of the work of the ICT/Performance workstream. Mrs Torrance explained that the workstream would cover a range of IT issues to ensure that staff had the systems and equipment they required such as a single IT software provision, etc.

Dr Jonathan Kirk enquired about progress of the Communications Plan. Mrs Torrance advised that a newsletter had been released in February and a further iteration was being worked up. She further confirmed that the Communications Plan would link to the Strategic Plan to ensure engagement and consultation at all levels and particularly locality level.

The **INTEGRATION SHADOW BOARD** noted the Highlight report.

The **INTEGRATION SHADOW BOARD** agreed to receive the Communication Strategy at its next meeting.

6. Integrated Resources Advisory Group – Guidance

Mrs Carol Gillie gave a summary of the latest professional guidance from the Integrated Resources Advisory Group (IRAG) on the financial implications for integrating health and social care. She advised that the guidance reflected the live situation post April 2015 and that the Integration Shadow Board had a duty to take into account the guidance during the

Shadow year. Mrs Gillie highlighted several elements including; financial information, the strategic plan, VAT status and the role of the Section 95 Officer.

Cllr John Mitchell requested sight of the guidance issued by IRAG. Mrs Gillie undertook to email a copy of the guidance to him.

Dr Doreen Steele enquired about the status of insurance provision and if the Integration Shadow Board required its own insurance. Mrs Gillie confirmed that during the shadow year insurance provision was as per parent organisations arrangements. As progress was made to true integration then the need to review, revise and amend certain financial requirements would be considered and altered as required.

Mr David Davidson sought clarification on the assets of the Integration Shadow Board. Mrs Gillie confirmed that the Integration Shadow Board would not own any assets. Any assets purchased would belong to the appropriate parent organisation.

The **INTEGRATION SHADOW BOARD** noted the summary guidance from IRAG.

The **INTEGRATION SHADOW BOARD** agreed that the Integration Finance working group continue to review the full guidance and update the agreed integration programme plan to cover Financial Governance, Financial assurance and reporting, Financial planning and Capital planning.

7. Membership

Miss Iris Bishop advised of the membership of the Integration Shadow Board.

The **INTEGRATION SHADOW BOARD** noted the membership.

8. Scheme of Delegation – Chief Officer

Mr David Robertson advised that during the shadow year the Chief Officer would work within the updated Governance Frameworks of the parent organisations. He noted that the range of services proposed for the Shadow Integration Board would require the level of delegation for the Chief Officer to be equivalent to that of the Chief Operating Officer for NHS Borders and the Deputy Chief Executive (People) for SBC lead services.

The **INTEGRATION SHADOW BOARD** noted that a level of delegated authority would be given to the Chief Officer as detailed in the updated governance arrangements within the partner organisations for the appropriate services included within the integrated budget at the level of the current Chief Operating Officer for NHS Borders and the Deputy Chief Executive (People) for Scottish Borders Council.

9. Code of Governance

Miss Iris Bishop introduced the suite of documents that formulated the Governance Code for the Integration Shadow Board.

Cllr Jim Torrance sought clarification that the quorum for the Integration Shadow Board was six members and Miss Bishop confirmed that it was six members of which there had to be three members from each parent organisation.

The **INTEGRATION SHADOW BOARD** noted the Governance Code.

The **INTEGRATION SHADOW BOARD** requested clarification of the term “service users” to mean patients, carers and service users, be publicised via the next Integration newsletter.

10. Chief Officer Appointment Update

Mr Calum Campbell advised that a broad range of applications had been received for the post of Chief Officer. A short-listing exercise had taken place earlier that day and five applicants would be invited for interview on 8 May.

The **INTEGRATION SHADOW BOARD** noted the update.

11. Scope/Integrated Budget

Mr David Robertson confirmed that the intention was to provide a shadow budget that would be as representative of the arrangement that would apply from April 2015 as possible. He advised that during the shadow year the budgets would be managed on an aligned basis. Mr Robertson advised that the paper detailed the rationale for the services to be included within the proposed integrated budget for the initially agreed scope and the extended proposed scope.

Mrs Carol Gillie commented on the NHS initial scope for the clarity of the Board confirming that the base of the initial scope was what had been previously included in the CH&CP and then based on information available in the previous calendar year, other budgets within NHS Borders had been looked at and it was considered that they were prime services for integration.

Mrs Gillie advised that she and Mr Robertson had agreed that any budgets where the majority spend fell into the adult health category, the whole budget would be transferred to the integrated budget. Mr Robertson advised that in terms of initial budgets this equated to £71m for NHS Borders and £47m for Scottish Borders Council giving a combined budget of £118m.

Discussion then focused on several key elements including: the extended scope and its implications for both organisations; the staffing numbers within the partnership; confirmation that pharmacy equated to both community pharmacy and Borders General Hospital pharmacy services; most acute services currently remained outwith the scope; amendments to the appendices documentation; a workshop/seminar to flesh out the wider scope and the integration resource framework database which detailed activity and costs where possible at an individual patient/client level across the NHS and social work services.

Dr Simon Watkin challenged what would be done by the next meeting to agree the extended scope.

Dr Jonathan Kirk sought clarity on what was outwith the scope. He suggested that in order to maximise the chances of success it needed to be understood at this stage what required to be delivered to best effect for the patient, service user, carer, etc as that may not be the way services were currently delivered.

Cllr Catriona Bhatia suggested the Strategic Plan would be the route for identifying the delivery of services and how they may evolve in the future. Dr Kirk cautioned that looking at current service delivery models may be an incorrect benchmark for providing future service delivery.

Mrs Gillie advised the Board that although the acute services remained outwith the scope there was an opportunity to include them. Given that they currently remained outwith the scope the Board would receive information on the notional budget for acute care.

Cllr Bhatia referred to a diagram detailing the partnership shadow year initial scope and advised that it would be circulated to Board members once Mr Robertson had agreed its content with Mrs Gillie.

Mr Davidson suggested that it would be difficult to quantify how much acute care was provided to the older person and it would therefore be difficult to leave acute care out of the scope. He suggested this be explored at the proposed workshop/seminar. Cllr Bhatia agreed that the patient journey for older people and those with LD be part of the subject matter for the workshop/seminar.

The **INTEGRATION SHADOW BOARD** agreed the initial scope of the integrated base budget for the shadow year 2014/15 totalling £118m prepared on an aligned basis.

The **INTEGRATION SHADOW BOARD** noted that the draft Partnership Strategic Plan would be developed based on the extended scope, as set out in the consultation papers.

The **INTEGRATION SHADOW BOARD** noted that a further paper would be submitted to the June Shadow Board detailing those services that were highlighted for inclusion in the current Scottish Government consultation paper with recommendations on how to proceed with regard to the future delivery of those services.

The **INTEGRATION SHADOW BOARD** endorsed the budget principles set out in Appendix 3 which were applied to enable calculation of the initial base integrated budget to be managed on an aligned basis for the financial year 2014/15.

The **INTEGRATION SHADOW BOARD** agreed to undertake a workshop/seminar in May/June.

12. Care and Clinical Governance

Mrs Evelyn Fleck advised that within social care and healthcare there were different systems for clinical and care governance. In moving forward the intention was to bring the systems together to provide assurance to the Board that the standards of care provided were of high quality and appropriate systems were in place.

The **INTEGRATION SHADOW BOARD** noted the current position and work underway and approved the role of the short life clinical and care governance oversight group.

13. Reviewing Capacity and Demand in SBC and NHS Borders Occupational Therapy Services

Mrs Elaine Torrance gave an overview of the paper and focused on the current progress being made towards integration of the Occupational Therapy services operated by both organisations. Discussion focused on the outcome measures and national delivery plan for AHP services.

Mr David Davidson suggested integration of the OT service needed to take place at a pace consistent with ensuring a single service prior to April 2015 as the service would ultimately be directly answerable to the Integration Board. Mrs Torrance advised that OT services in Social Work were already integrated into Assessment and Care Management Teams and could involve various elements including professional leadership and resources. She advised that the budget for the service was already included in the scope. Mr Davidson requested a timeline for delivery and October 2014 was agreed by the Integration Shadow Board.

Dr Doreen Steele sought clarification that the report in October would clearly provide outcome measures, key performance indicators, trajectories and future service planning.

Dr Simon Watkin commented that the integration of OT services was a good example of the challenges that might be faced in similar areas. Mrs Torrance advised that there had been various reviews of OT services in the past and it was anticipated that resources could be used more effectively and there would be learning outcomes from this work.

The **INTEGRATION SHADOW BOARD** commissioned and supported testing of an NHS Borders process across both services which would improve understanding of the OT resource and capacity available.

The **INTEGRATION SHADOW BOARD** sought recommendations and actions in October 2014 from the OT services for strengthening integration of available resources and practice to improve outcomes for people who use services.

The **INTEGRATION SHADOW BOARD** considered how to further integrate OT services in order to ensure seamless services to people.

14. Any Other Business

- 14.1 Workshop/Seminar:** The **INTEGRATION SHADOW BOARD** agreed to a workshop/seminar in May/June on the scope of the partnership in terms of the service user journey and performance measurement.
- 14.2 Arms Length Organisation for Care Services:** The **INTEGRATION SHADOW BOARD** agreed to receive a briefing on the Arms Length Organisation which was to be within the scope of the partnership.
- 14.3 Complaints:** Cllr John Mitchell commented that it was important that integration worked at all levels of the partner organisations and he enquired how the Board would be aware of any issues at a grass roots level and indeed if the Board should be involved at that level. Mr David Davidson commented that presumably both organisations operated complaints procedures and there would be a requirement for the Integration Board to develop its own complaints procedure. Cllr Catriona Bhatia advised that the NHS had a sophisticated complaints process that was reported at Board level.

Dr Jonathan Kirk noted that both organisations would have different models for performance monitoring, etc and he suggested the Integration Board find a common language and have an active role in deciding what it wanted to know and monitor as opposed to accepting only what was available.

15. Date and Time of next meeting


The Chair confirmed that the next meeting of Integration Shadow Board would take place on Monday 30 June 2014 at 2.00pm at Scottish Borders Council.




Integration Shadow Board Action Point Tracker

Meeting held 28 April 2014

Agenda Item: Matters Arising


Reference in Minutes	Action	Action by:	Timescale	Progress	RAG Status
4.1	<p>CH&CP Minutes: It was noted that Children and Housing would appear as standing items on future Integration Shadow Board meeting agendas.</p> <p>The INTEGRATION SHADOW BOARD agreed the above actions.</p>	Tim Cameron	May	Complete: Items appear as standing items on future Agendas.	

Agenda Item: Matters Arising


Reference in Minutes	Action	Action by:	Timescale	Progress	RAG Status
4.2	<p>CH&CP Action Tracker: The CH&CP Action Tracker was noted and it was agreed that the two outstanding matters, Early Years Collaborative reports and Change Fund Exit Strategy, would be agenda items for</p>	Tim Cameron	May	Complete: Items appear as substantive items on June meeting Agenda.	

	<p>the next Integration Shadow Board meeting in June.</p> <p>The INTEGRATION SHADOW BOARD agreed the above actions.</p>				
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Agenda Item: Code of Governance


Reference in Minutes	Action	Action by:	Timescale	Progress	RAG Status
9	The INTEGRATION SHADOW BOARD requested clarification of the term “service users” to mean patients, carers and service users, be publicised via the next Integration newsletter.	Elaine Torrance	May		




Agenda Item: Any Other Business

Reference in Minutes	Action	Action by:	Timescale	Progress	RAG Status
14.1	The INTEGRATION SHADOW BOARD agreed to a workshop/seminar in May/June on the scope of the partnership in terms of the service user journey and performance measurement.	Iris Bishop	June	Complete: Selection of dates offered to Integration Shadow Board members. Workshop held on Monday 2 June 2014.	

Agenda Item: Any Other Business

Reference in Minutes	Action	Action by:	Timescale	Progress	RAG Status
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14.2	The INTEGRATION SHADOW BOARD agreed to receive a briefing on the Arms Length Organisation which was to be within the scope of the partnership.	Elaine Torrance	June	In Progress: Item scheduled for next Integration Shadow Board meeting agenda 30.06.14.	
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KEY:	
	Overdue / timescale TBA
	<2 weeks to timescale
	>2 weeks to timescale
Blue	Complete – Items removed from action tracker once noted as complete at each Integration Shadow Board meeting



UPDATE ON CHANGE FUND PROJECTS EXIT STRATEGY

Aim

A paper outlining the changes to the projects supported by the Change Fund was brought to the CHCP Board in March. This noted the projects where funding ended in March 2014 and the status of each project in terms of an exit strategy.

The Board asked for more detail on the plans for mainstreaming or closing a number of projects, including the non-financial impact of closure on these projects

This paper provides more information on the status of these projects.

Background

The Change Fund was established to test new models of care and to support the acceleration of work to shift the balance of care. The Borders approach to allocation of funding was to approve projects that demonstrated a strategic fit, effective project management and a potential return on investment that would allow release of resources to support the service on a recurring basis. Projects that were unable to deliver this would be terminated.

All Change Fund projects had been approved to end March 2014 only. In planning for the final year of the Change Fund, a full and rigorous review of all these projects was undertaken to determine whether they required to or should be extended into the final year of the Change Fund. The review assessed projects against the three criteria:

- Strategic fit
- Effective project governance including delivery against milestones
- Demonstration of delivery of outcomes including return on investment

Assessment

The Reshaping Care Board comprises representatives of the 4 different agencies or groups – Health, Local Authority, Voluntary and Independent Sectors. In reviewing Change Fund projects, the Board's focus was on whether the project had demonstrated delivery. Decisions about terminating funding for projects was made on the appropriateness for the Reshaping Care Board to support them (i.e., that they had demonstrated that they were viable projects or that it was appropriate for projects to receive non-recurring funding) rather than on the potential value of the ambitions of the project

This was a challenging process for partners who had to consider projects that were within their own agency with the same rigour and independence as projects led by other member organisations.

Most projects have concluded or been successfully mainstreamed.

The following projects were highlighted areas of outstanding risk for organisations in the previous paper. All but one of these projects has now been mainstreamed or has plans to mainstream.

Project	Mitigation
Housing With Care	Mainstreamed through adapted roll-out plan. It should be noted that there may be some impact on the timescales for development of alternative models which in turn should decrease the reliance on care homes. There may be pressures on the social work budget during the transition phase which will need to be managed.
Extra Care housing	Project has been exited as planned
Integrated Assessment Rehab Service	The AHP support to intermediate care continues in Waverley only. There is no AHP resource in other IC facilities Other options to provide AHP cover being explored. Beds being used more flexibly for early discharge and assessment
Prevention of Falls and Avoidable Hip Fractures in the Elderly	A plan for the integration of elements of the falls programme into existing service posts is in place.
Proactive Discharge Management	Mainstreamed
Carers Support Project	To be mainstreamed through contract commissioned for carers support.
Community Support (Social centre offered by WRVS LD)	Mainstreamed through redesign of LD services

Summary

All but one project has been closed or mainstreamed and risks managed.

Recommendations

The Integration Shadow Board is asked to **note** the update.

Policy/Strategy Implications	Approval of the Change Fund monies has been in line with the guidance on use of the Change Fund and in line with the Reshaping Care agenda.
Consultation	All key partners have been involved in the review, planning and evaluation of current and future programmes of work via the RSCB. As part of the communication plan, Change

	Fund updates are regularly given to relevant boards and management teams.
Risk Assessment	Risk assessment and mitigation plans are held at programme level and signed off at Reshaping Care Board. A full risk and issue analysis of project closures has been carried out. The risk profile for each partner is different.
Compliance with requirements on Equality and Diversity	Assessment against equity of provision was core criteria for project approval.
Resource/Staffing Implications	Impact of project closures on staff has been managed according to appropriate organizational policies.

Approved by

Name	Designation	Name	Designation
Jane Davidson	Chief Operating Officer		

Author(s)

Name	Designation	Name	Designation
Philip Lunts	Head of Improvement Support		



ARMS LENGTH ORGANISATION BUSINESS CASE

Aim

This report details the key findings of the Business Case that has been developed to consider the benefits for the Council of setting up a Council owned Company for the direct provision of Adult Care Services.

Background

In February 2014 the Council considered an Options Appraisal for the future of Adult Social Care Services. Four options were considered including externalisation of services, redesigning the service In-House, the development of a Community Interest Company and the development of an Arms Length Council owned company. Key criteria considered included quality, acceptability to stakeholders, governance and flexibility and cost. The Council agreed that the most viable option was the establishment of an Arms Length Organisation and agreed that a full business case be presented to the Council by June 2014.

Summary

The range of services proposed for inclusion include; Care at Home, Residential Care, Extra Care Housing, Bordercare, Older People Day Services, Learning Disability Services and the Borders Ability Equipment Store. All of these are Council Services, however, it should be noted that the Equipment Service is a joint service and a proportion of this budget is from NHS Borders. There will be further discussions regarding the inclusion of this service during the implementation stage. The total identified budget for these current services totals £16.9m.

Recommendation

The Integration Shadow Board is asked to **note** the business case.

Policy/Strategy Implications	As detailed within the business case.
Consultation	As detailed within the business case.
Risk Assessment	As detailed within the business case.
Compliance with requirements on Equality and Diversity	As detailed within the business case.
Resource/Staffing Implications	As detailed within the business case.

Approved by

Name	Designation	Name	Designation
Jeanette McDiarmid	Depute Chief Executive		

Author(s)

Name	Designation	Name	Designation
Elaine Torrance	Chief Social Work Officer		

ARMS LENGTH ORGANISATION BUSINESS CASE

Report by Depute Chief Executive - People

COUNCIL

26 JUNE 2014

1 PURPOSE AND SUMMARY

- 1.1 **This report details the key findings of the Business Case that has been developed to consider the benefits for the Council of setting up a Council owned Company for the direct provision of Adult Care Services.**
- 1.2 In January 2014 the Council considered an Options Appraisal for the future of Adult Care Services. The Council agreed that the most viable option was an Arms Length Council Company (either a Local Authority Trading Company or Limited Liability Partnership) and agreed that a full Business Case be produced for consideration by Council in June 2014. This work has now been completed by Care & Health Solutions, a company specialising in this area, together with Council Officers, and the Executive Summary is attached in Appendix 1.
- 1.3 The 5 year Business Case sets out the benefits and risks to the Council of progressing and not progressing with the proposed model – a Limited Liability Partnership. The LLP is a fully owned Council company which ensures that key decisions with regard to the strategic direction of the company for example decisions with regard to the use of any surplus generated will be for the Council to determine. This new model affords a number of opportunities to improve the quality of services to people receiving care and their carers. The key benefits are:
 - (a) the ability to continue to provide quality services that are more cost effective and thereby more affordable to the Council and very importantly to those people who will be purchasing care through Self Directed Support
 - (b) the ability to provide and sell a range of services to people who do not meet the Council's current eligibility criteria thereby offering a broader range of service options to a greater number of people
 - (c) the establishment of a more business focussed culture allowing more efficient deployment of resources providing benefits in budgetary terms

- (e) ensuring the Council is able to meet its statutory responsibilities by ensuring a provider of last resort is maintained.
- (f) ability to provide a more responsive service at local level
- (g) the LLP structure will provide democratic Council scrutiny of the quality and performance of the services provided.

- 1.4 Without a significant change in approach and the application of a more balanced business-focussed approach to these service areas, costs will continue to increase, efficiency opportunities will not be maximised and fewer people will buy Council Services through Self Directed Support. This in turn will lead to reductions in service quality and availability and less future choice for service users and carers. Adopting an LLP model will allow the delivery of services more effectively with projected efficiencies of £5.6m for the Council over the next 5 year either to invest in the company, contribute to savings targets or support the continuing funding pressures being felt across public services.
- 1.5 The governance arrangements and financial benefits are summarised in the Executive summary. The financial model detailed in the business case is the result of modelling based on local market opportunities, improved work practices and additional income and cost savings.
- 1.6 It should be noted that the business case assumes that staff will TUPE transfer to the new organisation and therefore staff terms and conditions are protected.

2. STATUS OF REPORT

- 2.1 This report is in public and includes extracts from the business case Executive summary. Where necessary commercial detail has been redacted. The full business case will be considered elsewhere on the Council agenda in private session due to the commercially confidential material contained therein.

3. RECOMMENDATIONS

3.1 I recommend that Council:-

- (a) Having considered and noted this report Council then reviews the full business case to establish an Arms Length Limited Liability Partnership Company in April 2015 in private session; and if satisfied,**
- (b) Instructs officers to proceed with initial preparatory work.**
- (c) Requests a further report on progress with implementation and any refinements required to the Business Case be brought back to Council in October 2014.**
- (d) The governance and scrutiny arrangements associated with the LLP have yet to be finalised and these will be addressed in the October report.**

4 BACKGROUND

- 4.1 In February 2014 the Council considered an Options Appraisal for the future of Adult Social Care Services. Four options were considered including externalisation of services, redesigning the service In-House, the development of a Community Interest Company and the development of an Arms Length Council owned company. Key criteria considered included quality, acceptability to stakeholders, governance and flexibility and cost. The Council agreed that the most viable option was the establishment of an Arms Length Organisation and agreed that a full business case be presented to the Council by June 2014.
- 4.2 A range of drivers were considered as part of this process to ensure the Council continues to provide high quality support, care and protection to adults and older people. These included:
- Supporting the delivery of Self Directed Support
 - Ensuring the continuation of high quality publically owned service to the people of the Borders in the most cost effective way
 - Offering new services to enable independent living by receiving care in their own home
 - Allowing surpluses generated to be invested in Council services
 - Ensuring continued democratic accountability for the services provided.
- 4.3 The Executive Summary of the business case is attached in Appendix 1. The range of services proposed for inclusion include; Care at Home, Residential Care, Extra Care Housing, Bordercare, Older People Day Services, Learning Disability Services and the Borders Ability Equipment Store. All of these are Council Services, however, it should be noted that the Equipment Service is a joint service and a proportion of this budget is from NHS Borders. There will be further discussions regarding the inclusion of this service during the implementation stage. The total identified budget for these current services totals £16.9m.

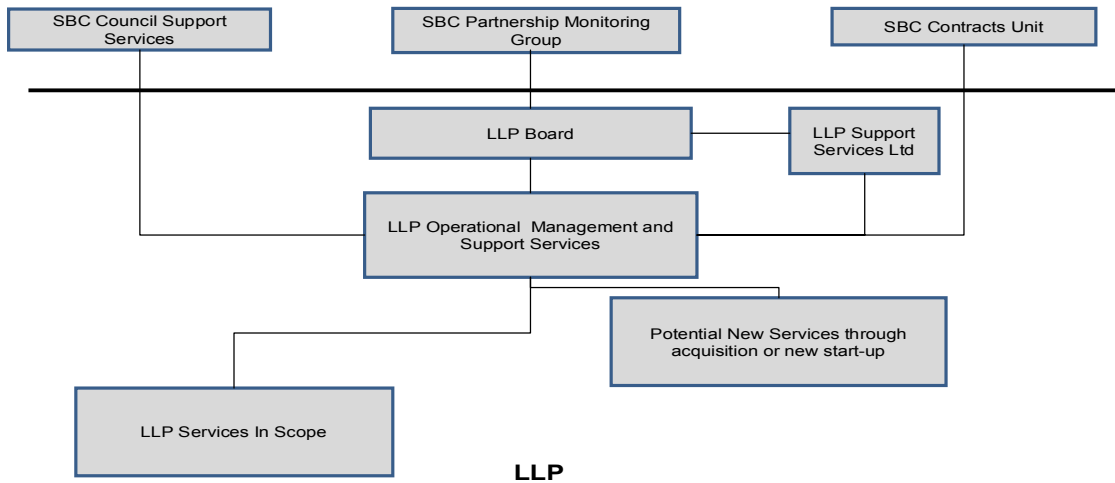
5 GOVERNANCE

- 5.1 The proposed governance arrangements for the Company are set out in Appendix 1, section 5 and the proposed structure and relationship with the Council is set out below. These arrangements will be further developed, particularly with respect to the role played by Elected members in the scrutiny and governance of the LLP, and the further work on this will be reported to Council in October.

LLP/Council Relationship Structure

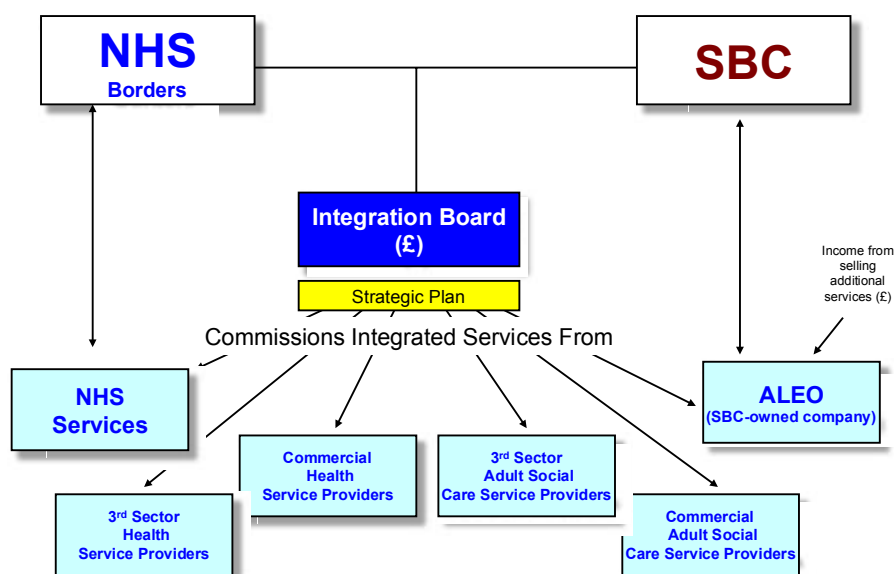


Scottish Borders Council



- 5.2 Initial proposals are that the board for the Limited Liability Partnership (LLP) would be made up of members with appropriate business and core skills and comprise of Officers of the Company and 3 non executive Directors. At this point in time it is not proposed that elected members are on the board. This proposal will be reviewed as part of the current Audit and Assurance work underway using the best practice guidance included in the recent Audit Scotland report on Arms Length companies. It is currently proposed that elected members will make up a monitoring and scrutiny group which will meet regularly to scrutinise the operational and financial performance of the company providing an enhanced level of scrutiny. Council authority will be required for any significant changes to the LLP's business plan.
- 5.3 The Integrated Health and Social Care Partnership being established under the Public Bodies Joint Working (Scotland Act 2014) includes the budgets which it is proposed be managed by the New LLP. The Integrated Health and Social care partnership will commission services from the Council and from the NHS and provide oversight in line with the Strategic Plan. It is proposed that the Council services within the scope of this report will be delivered via the LLP. Financial monitoring will continue to be reported to the Integration Board as part of the integrated budget in line with legislation. It is proposed that a member of the Board also be part of the Monitoring Group.
- 5.4 The governance and commissioning with respect to the Health and Social Care partnership is shown overleaf.

Commissioning Arrangements With ALEO



6 IMPLICATIONS

6.1 Financial

The business case proposal to move to a Limited Liability Partnership model to manage the direct provision of Adult Care Services demonstrates a net financial benefit to the Council of £5.6m after costs. Benefits have been identified across 3 main areas and include the running costs of the business. These costs are shown in the Executive summary appended to this report. The financial benefits are

- (a) Effective working through managing staff by locality, more efficient working patterns, tighter absence management, more regular review of care packages and increased scrutiny of commissioned services will generate efficiencies over 5 years of £4.376m.
- (b) Offering new services to meet client's needs across the Borders will contribute a net income after additional cost of £2.22m.
- (c) Efficiencies have been identified from supplies and services of £0.827m through managing usage and working with local suppliers to only buy what is needed at the best price.
- (d) To ensure that the LLP can focus on the delivery of the benefits and shift towards a more flexible way of working offering additional services across the Borders additional running costs for staff management, property and marketing of the new services will be required of £1.827m over 5 years.

Further diligence will be undertaken to scrutinise the detail of the business plan and a detailed financial plan will be completed as part of the mobilisation stage of the programme of work to be presented to members in October 2014.

6.2 Staff Implications

- (a) Managers and staff currently employed in the existing services will be TUPE transferred to the new organisation. The business case assures no change to terms and conditions for staff but does anticipate there will need to be new working practices adopted to ensure the benefits projected are realised.

6.3 Risk and Mitigations

- (a) There is a risk that the company may not be successful in the future. The Business Case based on a set of realistic assumptions has been created and is subject to ongoing diligence and refinement.
- (b) There is a risk that by not establishing an Arms Length Company the cost of the Council's own services will increase and fewer people will purchase these services resulting in higher unit costs or closures or reductions in service options.
- (c) There is a risk that staff are unsettled with the change during the implementation phase and a detailed communication plan is in place, including engagement and consultation with the Trade Unions is to address this concern.

6.4 Equalities

An Equalities Impact Assessment has been carried out on this proposal and it is anticipated that there are no adverse equality implications as the ALO will continue to provide services to all groups across the Borders.

6.5 Acting Sustainably

The new company will operate across the Borders and therefore there will be no economic or social impact.

6.6 Carbon Management

There are no known effects on carbon emissions associated with this report.

6.7 Rural Proofing

The Arms Length Company will be set up to provide services across the Borders including rural areas.

6.8 Changes to Scheme of Administration or Scheme of Delegation

There are no changes required to either the Scheme of Administration or the Scheme of Delegation as a result of the proposals in this report.

7 CONSULTATION

- 7.1 The Corporate Management Team, the Chief Financial Officer, the Monitoring Officer, the Chief Legal Officer, the Service Director Strategy and Policy, the Chief Officer Audit and Risk, the Chief Officer HR, the Service Director Interim Projects and Clerk to the Council have been consulted and their comments have been incorporated into the report.
- 7.2 During the development of the Business Case there have been discussions with staff, managers and Union representatives in the Council about the proposals and written information has also been sent out. In addition a session was held with service user/carer representative groups to explain the rationale and a presentation has also been made to the Integration Shadow Board. Further staff and managers sessions will be arranged during the implementation phase.
- 7.3 Further consultation has been carried out with Corporate Communications and their comments have also been incorporated into the report.

Approved by

Jeanette McDiarmid
Depute Chief Executive

Signature

Author(s)

Name	Designation and Contact Number
Elaine Torrance	Chief Social Work Officer

Background Papers: Council Care Organisation (CCO) Business Case

Previous Minute Reference: None

Note – You can get this document on tape, in Braille, large print and various computer formats by contacting the address below. Elaine Torrance can also give information on other language translations as well as providing additional copies.

Contact us at Elaine Torrance, Chief Social Work Officer, 01835 825080.



PROGRAMME HIGHLIGHT REPORT – JUNE 2014

Aim

To provide an outline update on progress in the delivery of the Integration Programme.

Background

The programme is based around two main workstreams which produce the two principle plans required under the Integration Legislation:

- Governance & Integration Group – responsible for the delivering the Scheme of Integration
- Strategic Planning Group – responsible for delivering the Strategic Plan.

These 2 workstreams are supported by 3 workgroups

- The Finance Group
- The Workforce Development Group
- The Information, Performance and Technology Group

Summary

The attached highlight report summarises:

- the main progress over the period from 28th May to 20th June.
- any risks or issues that are – or could – affect the delivery of the programme
- the work/activity planned in the next reporting period

Recommendation

The Integration Shadow Board is asked to **note** the report.

Policy/Strategy Implications	N/A
Consultation	N/A
Risk Assessment	N/A
Compliance with requirements on Equality and Diversity	N/A
Resource/Staffing Implications	N/A

Approved by

Name	Designation	Name	Designation
Programme Board			

Author(s)

Name	Designation	Name	Designation
James Lamb	Programme Manager		

Project :	Integration of Health and Social Care Programme	Date:	June 2014
Author :	James Lamb	Reporting Period :	28 th May – 20 th June 2014
Stage :	Initiation	Status:	Amber

This Reporting Period :

- Consultation Issued on draft regulations and process for joint response agreed
- Workshop held for the Shadow Board 2nd June
- Summary of Joint Budget Principles agreed
- Draft Finance Project Plan completed
- Proposals from NSS to support IT and data analysis work.
- Strategic Plan Contents and Draft Engagement Plan progressed
- Clinical Care Governance Arrangements being progressed
- IT Project Manager identified – and to be resourced from outwith the £203,000 transition funding
- Draft Performance Management Framework developed
- Schedule for developing the Strategic Plan revised back 4 months to allow for Draft Regulations (a *draft* Strategic Plan is still scheduled to be in place by April 2015)

Key Issues and Risks:

- Resource/Capacity to deliver the strategic planning element of the programme
- Clarification awaited on secondary legislation – Draft Regulations
- Significant volume and complexity of work required to finalise integrated budget and financial governance arrangements.
- Clarification of IT requirements and priorities for IT solutions

Next Reporting Period :

- CO, Susan Manion, takes up post
- Consultation to be progressed and draft response developed in w/c 21st July (final draft to Shadow Board on the 4th August)
- Further development of the Initial Scope – report to the June Shadow Board
- Communication Briefing note to be produced
- Clinical Care Governance Options to be developed.
- Continue to develop the Scheme of Integration
- Planning of practitioner/user events

Signature :	James Lamb	Date :	17 June 2014
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MONITORING OF THE SHADOW INTEGRATED BUDGET 2014/15

Aim

To provide the Shadow Board with:-

- Periodic budget monitoring statements for the Partnership's Integrated Budget based on actual expenditure and income to 31st May 2014.
- Explanations of the major variances between projected outturn expenditure/income and the current approved budget.

Background

Shadow Integrated Budget

The summary included in Appendix 1 projects a balanced revenue position for the Partnership for 2014/15. At present, budget estimates of almost £120m are included in the shadow integrated budget, of which £46.9m relates to Scottish Borders Council managed services and £73.1m relates to NHS Borders managed services.

Draft regulations to the Public Bodies (Joint Working) (Scotland) Act 2014 are currently being consulted on and further guidance on exactly which services / budgets must be / should be integrated within partnerships is expected by early Autumn 2014. As a result, the services and budgets currently included within the shadow integrated budget for the Scottish Borders will be reviewed and will be subject to further refinement as greater clarity emerges, taking account of any further guidance that may be issued by the Integrated Resources Advisory Group and any such changes to the base position reported herein will be outlined in future monitoring reports to the Shadow Board.

Projected Outturn

At 31 May 2014, total outturn expenditure for the partnership of £119.944m is projected in line with current budget figures. A key underlying factor in the ability to report this position at this stage of the financial year is due to the level of considerable investment made into the budgets supporting the delivery of services during recent financial planning processes, to help meet the pressures arising as a result of increasing number of older people requiring health and social care and the increasing numbers of clients with learning and physical disabilities and the complexity of their needs.

Joint Learning Disability Service

The Joint Learning Disability Service is currently projecting a small overspend of £60k against its shadow integrated budget of £17.552m. This has been an area of ongoing financial pressure in recent years, particularly as a result of the impact of young adults with

complex needs coming into the service which has put a considerable financial burden on it. A combination of ongoing review of health and social care packages and additional investment has had a positive impact however demand for assessment and treatment placements and the ongoing need for additional community based services continues to put pressure on this service. This is currently offset by savings in other service areas and staff turnover.

Joint Mental Health Service

Mental Health is currently projecting a small overspend of £14k but will continue to work to achieve its breakeven target. The main reason for f overspend is challenging service efficiency targets. . The service is currently looking at a number of areas where savings can be made including a review of administration.. At present however, the saving targets have not been fully delivered.

Older People Service

Despite considerable investment during the 2013/14 and 2014/15 financial planning processes, the Older People budget continues to be under ongoing financial pressure and a projected overspend of £261k is currently reported. This takes account of the utilisation of almost £500k of additional investment to meet demographic pressures in 2014/15 and also includes the costs of services which form an in-kind contribution to the delivery of reshaping care for older people outcomes. The key drivers for the additional financial pressures within Older People are the number of care beds currently being commissioned above budgeted levels (c. 50) (£200k), increasing costs of homecare as a result of retendering (£270k) and additional costs above budget due to savings from real-time monitoring and staffing configuration not yet delivered (£800k).

Physical Disability Service

Increasing client numbers and complexity as well as market rates has resulted in additional pressures in the costs of externally commissioned homecare for clients with physical disabilities (£420k) in addition to those clients cared for in a residential setting (£100k). The impact of these pressures has been partially offset by additional investment of £260k into the Physical Disability budget.

Generic Services

Compensating generally for the considerable financial pressures experienced across other areas of integrated service budget areas, Generic Services overall is currently projecting a managed underspend of £527k.

Whilst projecting breakeven at present, Community Nursing and Community Hospitals are experiencing small financial pressures due to a variety of reasons including to the impact of service redesign, maternity leave and sickness absence. These issues are being addressed by management to ensure that overspends are minimised and that the appropriate policies such as sickness absence are being actively adhered to.

The GP prescribing budget is reporting a projected breakeven position although this should be treated with a degree of caution. In line with normal reporting timescales only activity information for April 2014 and no price data for 2014/15 has been received to date.

Considerable savings have been projected within Generic Services. This is a managed position in order to enable a balanced projected outturn for integrated budgets overall to be reported. These savings are attributable to a range of measures including strict

vacancy management, a review of all discretionary spend and a reduction in specific areas of committed expenditure.

Implications

Financial Recommendations

There are no costs attached to any of the recommendations contained in this report its content being specifically related to the performance related to the shadow integrated revenue budget in 2014/15.

Risk and Mitigations

There is a risk that further cost pressures may emerge before the year-end which may impact on the projected outturn for the year or that barriers may emerge to the delivery of planned efficiency and savings plans within partner organisations.

The potential for service overspends is highlighted within the Partner Board Risk Register.

The risks identified above are being managed and mitigated through:-

- Monthly reports of actual expenditure and income against approved budgets being made available to budget managers in both partner organisations.
- Review of budget variances and monitoring of management actions to control expenditure by Finance, Service staff and Directors within both organisations.
- Engagement with service managers and review of monthly management accounts by senior management in both organisations.
- Other specific processes of accountability such as departmental business transformation boards, efficiency panels, etc to ensure the monitoring and delivery of financial planning savings targets.

Equalities

It is anticipated there will be no adverse impact due to race, disability, gender, age, sexual orientation or religion/belief arising from the proposals contained in this report.

Acting Sustainably

There are no significant effects on the economy, community or environment.

Carbon Management

No effect on carbon emissions are anticipated from the recommendation of this report.

Rural Proofing

It is anticipated there will be no adverse impact on the rural area from the proposals contained in this report.

Changes to Scheme of Administration or Scheme of Delegation

No changes to either organisation's Scheme of Administration or the Scheme of Delegation is required as a result of this report.

Summary

The revenue monitoring position set out in this report is based on the actual income and expenditure to the 31 May 2014. At this point the Partnership is projecting a balanced position for 2014/15, although at this early stage in the financial year, there are a number

of factors which may require ongoing management to ensure that this position is delivered at the 31 March 2014.

All officers, their management teams and budget managers continue to work towards identifying further options to reduce the financial pressures across services which will achieve this projected position, in addition to the delivery of a range of efficiency targets agreed as part of both partners' 2014/15 financial planning processes.

Recommendation

It is recommended that the Integration Shadow Board:-

Approve the budget monitoring reports at Appendix 1.

Note the key areas of identified pressure and proposed remedial actions put in place to enable a balanced outturn position at 31 March 2015 to be projected at this time.

Policy/Strategy Implications	In compliance with the Public Bodies (Joint Working) (Scotland) Act 2014 and any consequential Regulations, Orders, Directions and Guidance.
Consultation	Members of the Integration Programme Board have been consulted on the report and the position reported to the Shadow Board. The report has also been reviewed by and approved by relevant Management Teams within both partner organisations.
Risk Assessment	A full risk assessment and risk monitoring process for the Integration Programme is being developed as part of the Integration Programme arrangements.
Compliance with requirements on Equality and Diversity	An equality impact assessment will be undertaken on the arrangements for Joint Integration when agreed.
Resource/Staffing Implications	It is anticipated that the Integration Shadow Board will oversee services which have a budget of over £100m, within the existing scope. The budget will change as other functions are brought within the scope of the Integration Shadow Board.

Approved by

Name	Designation	Name	Designation
David Robertson	Chief Financial Officer	Carol Gillie	Director of Finance

Author(s)

Name	Designation	Name	Designation
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Paul McMenamin	Business Partner		
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MONTHLY REVENUE MANAGEMENT REPORT



Joint Health and Social Care Budget

2014/15

AT END OF MTH: #REF!

	Base Budget £'000	Profiled to Date £'000	Actual to Date £'000	To date Variance £'000	Revised Budget £'000	Projected Outturn £'000	Outturn Variance £'000	Base WTE	YTD WTE	Current Month WTE	Summary Financial Commentary
Joint Learning Disability Service	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	A combination of additional costs arising as a result of further increases in the number and complexity of need above the level of budget investment made this year.
<i>Residential Care</i>	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
<i>Homecare</i>	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
<i>Day Care</i>	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
<i>Community Based Services</i>	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
<i>Respite</i>	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
<i>Same as You</i>	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
<i>Other</i>	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
Joint Mental Health Service	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	Challenging Efficiency Targets, plans being formulated now to achieve targets
<i>Residential Care</i>	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
<i>Homecare</i>	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
<i>Day Care</i>	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
<i>Community Based Services</i>	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
<i>Respite</i>	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
<i>SDS</i>	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
<i>Choose Life</i>	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
<i>Mental Health Team</i>	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
Joint Alcohol and Drug Service	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	Budget has been transferred to Mental Health for BAS since base was set
<i>D & A Commissioned Services</i>	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
<i>D & A Team</i>	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
Older People Service	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	Significant additional costs in Homecare of £1m, together with further additional costs (£200k) due to a higher number of residential beds than budgeted (c.50 more) has led to considerable pressure on the OP Service. Additional investment has been made into the budget to address this and it is proposed to charge certain areas of spend to the Olders Peoples Change Fund in 2014/15.
<i>Residential Care</i>	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
<i>Homecare</i>	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
<i>Day Care</i>	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
<i>Community Based Services</i>	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
<i>Extra Care Housing</i>	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
<i>Housing with Care</i>	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
<i>Dementia Services</i>	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
<i>Delayed Discharge</i>	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
<i>Other</i>	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
<i>Change Fund</i>	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
Physical Disability Service	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	Significant additional complexities of PD need has led to considerable increase in the level of homecare required, offset by the further budget investment in part.
<i>Residential Care</i>	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
<i>Homecare</i>	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
<i>Day Care</i>	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
<i>Community Based Services</i>	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
<i>Other</i>	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	

MONTHLY REVENUE MANAGEMENT REPORT



Joint Health and Social Care Budget

2014/15

AT END OF MTH: #REF!

	Base Budget £'000	Profiled to Date £'000	Actual to Date £'000	To date Variance £'000	Revised Budget £'000	Projected Outturn £'000	Outturn Variance £'000	Base WTE	YTD WTE	Current Month WTE	Summary Financial Commentary
Generic Services	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	<p>Staffing Issues within Community Hospitals and limited information available on AHP Services currently.</p> <p>Considerable savings are projected in order to enable a balanced projected outturn for all Social Care Intergrated budgets.</p> <p>In particular a range of measures such as vacancy management, the reduction of a number of areas of discretionary spend and a withdrawal of identified soft commitments have been undertaken and their financial impact accounted for.</p>
Community Hospitals	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
GP Prescribing	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
AHP Services	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
General Medical Services	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
Community Nursing	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
Assesment and Care Management	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
Group Managers	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
Service Managers	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
Planning Team	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
Locality Offices	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
BAES	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
Duty Hub	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
Extra Care Housing	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
Joint Health Improvement	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
Respite	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
SDS	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
OT	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
Grants to Voluntary	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
Out of Hours	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
Other	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
Total	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
Financed By:											
AEF, Council Tax and Fees & Charges	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
NHS Funding from Sgovt etc	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
Total	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	

MONTHLY REVENUE MANAGEMENT REPORT



Joint Health and Social Care Budget

2014/15

AT END OF MTH: #REF!

	Base Budget £'000	Profiled to Date £'000	Actual to Date £'000	To date Variance £'000	Revised Budget £'000	Projected Outturn £'000	Outturn Variance £'000	Base WTE	YTD WTE	Current Month WTE	Summary Financial Commentary
Joint Learning Disability Service	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	<p>A combination of additional costs arising as a result of further increases in the number and complexity of need above the level of budget investment made this year.</p> <p>Challenging Efficiency Targets, plans being formulated now to achieve targets</p> <p>Budget has been transferred to Mental Health for BAS since base was set</p> <p>Significant Pressure in Homecare and Residential Services</p> <p>Significant additional complexities of PD need has led to considerable increase in the level of homecare required, offset by the further budget investment in part.</p> <p>Considerable Savings targets set to achive balanced outturn over integrated budgets.</p>
Joint Mental Health Service	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
Joint Alcohol and Drug Service	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
Older People Service	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
Physical Disability Service	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
Generic Services	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
Total	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
Financed By:											
AEF, Council Tax and Fees & Charges	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
NHS Funding from Sgovt etc	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	
Total	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!				



HEALTH AND SOCIAL CARE INTEGRATION - PARTNERSHIP BUDGETS

Aim

The Shadow Board is asked to agree that a number of services, in addition to those included in the initial scope, should be included in the aligned integrated budget for 2014/15. In addition the Shadow Board is asked to agree that some services should be reported on a notional information sharing basis and be included in the scope of the partnership strategic plan. It is also proposed that the scope should be reviewed prior to April 2015.

Background

At its meeting on the 28th April 2014 the Shadow Board agreed the initial scope of the integrated budget. The report presented at that meeting also advised the Shadow Board that recent legislative consultation documents highlighted a number of services which must be included within the integrated budget, subject to the outcome of the consultation. These were services which were not included in the initial scope. The Chief Finance Officer and Director of Finance agreed to produce a paper detailing those services with recommendations on how to proceed with regard to the future delivery of those services.

The Shadow Board's overall aim is to make the shadow year as representative as possible of the live situation post April 2015; however, there is an acceptance that due to the ongoing consultation process linked to the legislation, and actual experience of operating the partnership during the shadow year, there will be changes to the integrated budget going forward.

Both partner organisations have agreed for 2014/15 the Shadow Board integrated budget will be prepared on an aligned basis.

Initial Scope

NHS Borders and Scottish Borders Council last calendar year agreed that the following services should be included within the integrated budget.

- Joint Learning Disability Services
- Joint Mental Health Services
- Joint Drug & Alcohol Services
- Older People's Services
- Community Hospitals, Day Hospitals & Nursing
- GP Prescribing
- General Medical Services
- AHPs
- Change Fund

This position was endorsed by the Shadow Board at its meeting in April.

A number of recent consultation documents linked to the Public Bodies Act have recommended that some services which were not included in the initial scope of the partnership must be included in the integrated budget, subject to the outcome of the consultation. It was therefore agreed to review these documents and recommend a way forward at the Shadow Board meeting in June 2014.

Options for Partnership Budgets

When reviewing services recently highlighted in the legislative consultation documents a number of options were proposed on how these services may be included in the Partnership. The two options available to the Board are detailed below:

- Integrated budget – full financial accountability to the Board
- Notional/Information budget – reported for information to the Board

Both partner organisations have agreed for 2014/15 the Shadow Board integrated budget will be prepared on an aligned basis. However from April 2015 the Integrated Board will have full financial accountability for the services in integrated budget. In other words the integrated board will have the obligation, be held accountable and be responsible for the financial performance of the services in the integrated budget.

Within the legislation there is the option that the integrated Board has a notional/information budget for a number of other services in addition to those that will be managed on a fully integrated basis in the integrated budget. It is envisaged the Integrated Board while not accountable for notional/information budgets would on a regular basis receive information about these services and would include them when agreeing the partnership strategic plan.

Process

Assessment criteria were produced to review the services highlighted in the legislative consultation documents. A shadow board workshop was held on the 2nd June 2014 to discuss the approach to including further services in the partnership and work through a number of examples.

The following criteria for assessment of services were identified. This assessment was a two stage process. Firstly services were assessed against six Level 1 criteria:

- Included in Legislation Documents
- Contributes to H&SC Outcome
- Linkages to Services in initial scope
- Avoids Unnecessary Administration
- Creates an Efficiency Opportunity
- Not a Statutory Responsibility

If the assessment at Level 1 resulted in a negative response to 4 or more of these level 1 criteria then it is proposed the service is excluded from the partnership budget. If the response is yes to three or more of these level 1 criteria then the service should be assessed against the level 2 criteria listed below:

- Suitability
- Feasibility
- Acceptability

If a service is fully suitable, feasible and acceptable then it should be included in the integrated budget. If it fails any of these criteria it should be considered a notional/information budget for the integrated board.

At the workshop on the 2nd June 2014 members of the Shadow Board and a number of senior officers from the NHS Borders and Scottish Borders Council reviewed a number of services, with a view to making a recommendation to the Shadow Board on which services should be included within the integrated budget.

Following the workshop, taking on board the key themes which we highlighted and following the examples which were discussed, finance staff have completed an assessment of all services which were highlighted in the legislation and recommended a way forward.

In the case where it has not been possible to disaggregate some services to reflect the operational budget specifically for older people, the full operational budget has been included in the integrated budget.

Assessment

Based on the process highlighted above the following services were reviewed and the following recommendations are made on how each service should be treated within the partnership budget.

Integrated Budget

The following services should be added to the initial scope and become part of the Integrated Budget for which the Integrated Board will be financially accountable.

- Housing services aids and adaptations - Mandatory grants to contribute towards the cost of alterations to help meet the needs of clients with a disability or impairment. This includes providing essential amenities such as stair-lifts and ramps and may also include structural alterations to buildings but specifically excludes extensions to provide living accommodation.
- Bordercare - a community alarm system which gives an immediate response in an emergency.
- Night Support - The service offers assistance from 10:00pm to 7:30am to people who might otherwise be admitted to hospital, residential or nursing home care.
- Sexual Health - this covers contraceptive services, sexual health advice, testing and treatment.
- Public Dental Services - The main area within this heading is the NHS employed salaried and community dental service.
- Community Pharmacy – This encompasses community services commissioned from local pharmacists such as advise to residential homes.
- Continence Services – expenditure on staff and supplies of the community continence service.
- Immunisation – costs associated with the NHS Borders immunisation programme
- Smoking Cessation - this service supports Borders residents to give up smoking.

- Patient Transport – expenditure incurred in relation to patient transport in addition to that provided by the Scottish Ambulance Service contract.
- Accommodation costs of services - This includes utilities and rates costs of all properties occupied by services included in the scope of integration.
- Resource Transfer - This is the amount transferred between health and local authority for services where inpatient beds have closed and the obligation to provide service now rests with the local authority. Services included are learning disability and continuing care.

At future Shadow Board meetings the finance report will be amended to include the above services in addition to those agreed in the initial scope.

Notional/Information Budget

The integrated board will receive information on the following services and for strategic planning purposes these services should be included:

- Unplanned inpatients within the BGH
- Adult projection and domestic abuse (detail of scope to be defined)
- A&E
- GP Out of Hours
- Care of Older People within the BGH
- Home Dialysis
- Public Health
- Screening
- Audiology
- Community Midwifery
- Welfare Services (detail of scope to be defined)
- Infection Control
- Specialist Nurses
- Emergency Planning (NHS only)
- Health Living Network
- Patient Safety Programme
- Pharmacy
- Visual Aids
- Non Cash Limited Services (general dental practitioners, opticians and community pharmacists)
- Palliative Care
- Payments to Voluntary Bodies
- Equality and Diversity
- Health Promotion
- Public Involvement

The exact definition of these headings is still to be defined. These notional/information budgets will be reported to the Shadow Board in so far as they are relevant to the integrated service provision in scope.

Integrated Budget with Effect from 1st April 2015

It is proposed to revisit the scope of integrated budget with effect from 1st April 2015. This review will take account of the outcomes of the consultations which are currently in process, any further documentation and consultations that take place during the course of

the financial year as well as the experience of the Shadow Board linked to the 2014/15 integrated budget. In the early part of 2015 a paper for consideration will be produced for the Board to agree a way forward.

Summary

The Borders Partnership agreed the scope of the integrated budget. Since that agreement was reached further legislative consultation documentation has been produced which recommended some services must be included in the integrated budget which were not part of the initial scope. Assessment criteria for reviewing these services were designed and a workshop was held in early June to undertake the assessment of services against these criteria. Based on this work it is recommended that the initial scope is extended to include some services. In addition services should be reported to the partnership on a notional/information basis and included in the strategic plan. Prior to April 2015 it is recommended that the scope of the integrated budget is revisited by the Shadow Board.

Recommendation

The Integration Shadow Board is asked to **agree** the following services are included in the integrated budget for 2014/15 - Housing services aids and adaptations, Bordercare, Night Support, Sexual Health, Public Dental Services, Community Pharmacy, Continence Services, Immunisation, Smoking Cessation, Patient Transport, Accommodation costs and Resource Transfer.

The Integration Shadow Board is asked to **agree** the following services form part of the notional/information budget of the partnership and are included in the strategic plan – Unplanned inpatients within the BGH, Adult projection and domestic abuse, A&E, GP Out of Hours, Care of Older People within the BGH, Home Dialysis, Public Health, Screening, Audiology, Community Midwifery, Welfare Services, Infection Control, Specialist Nurses, Emergency Planning, Health Living Network, Patient Safety Programme, Pharmacy, Visual Aids, Non Cash Limited Services (general dental practitioners, opticians and community pharmacists), Palliative Care, Payments to Voluntary Bodies, Equality and Diversity, Health Promotion and Public Involvement. These will be reported to the Shadow Board as relevant to the integrated service provision in scope.

The Integration Shadow Board **agrees** to revisit the scope of the integrated budget prior to 1st April 2015.

Policy/Strategy Implications	In compliance with the Public Bodies (Joint Working) (Scotland) Act 2014 and any consequential Regulations, Orders, Directions and Guidance.
Consultation	Agreed by Integration Programme Board.
Risk Assessment	A full risk assessment and risk monitoring process for the Integration Programme is being developed as part of the Integration Programme arrangements.
Compliance with requirements on Equality and Diversity	An equality impact assessment will be undertaken on the arrangements for Joint Integration when agreed.
Resource/Staffing Implications	It is anticipated that the Integration Shadow Board will oversee services which have a budget of over £100m, within the existing scope. The budget will change as other functions are brought within the scope of

	the Integration Shadow Board.
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Approved by

Name	Designation	Name	Designation
Carol Gillie	Director of Finance	David Robertson	Chief Financial Officer

Author(s)

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Carol Gillie	Director of Finance		