

Agenda Item	6
Report No	RB/07/21

THE HIGHLAND COUNCIL

Committee: Recovery Improvement and Transformation Board

Date: 24 May 2021

Report Title: Update on Joint Transformational Programme with NHS Highland

Report By: Executive Chief Officer – Health and Social Care

1. Purpose/Executive Summary

- 1.1 The purpose of this report is to provide a report to the RIT Board in terms of the joint Transformational Programme established with NHS Highland which was set up in November 2020 to ensure the efficient delivery of service for service users and is committed to achieving the best possible outcomes by considering transformational change and efficiencies.

That programme has been set up jointly with NHS Highland. A Programme Manager has been appointed jointly by both organisations to support the programme.

2. Recommendations

- 2.1 Members are asked to:

i. Note the contents of this report

3. Implications

- 3.1 Resource - The programme is resourced by both NHS Highland and the Council and from the Council's perspective is funded using monies identified for Transformation. Both organisations have jointly funded the Programme Manager. The Integration Scheme in place provides for a risk sharing agreement. There are resource implications in that the revised Scheme provides for the financial arrangements in place between NHS Highland and the Council in terms of the delivery of commissioned service and the risk management/sharing which relate to the Joint Programme Management Office approach to efficiency and transformation.

- 3.2 Legal - There are no legal implications as a result of this report.
- 3.3 Community (Equality, Poverty, Rural and Island) - The workstreams tasked with delivering transformational change are likely to result in changes to the manner in which services are delivered and as such any changes will be subject to an impact assessment which will be carried out jointly by NHS Highland and the Council.
- 3.4 Climate Change/Carbon Clever There are no climate change implications as a result of this report.
- 3.5 Risk -There is a risk in terms of the financial position set out above in terms of managing financial and other risks that may arise from the agreement which is dealt with the Programme Management Approach.
- 3.6 Gaelic - There are no Gaelic implications as a result of this report.

4. Background

- 4.1 The Highland Council and NHS Highland have agreed Terms of Reference for a Programme Management Board to focus on workstreams going forward in relation to matters covered by the partnership agreement namely adult social care and commissioned children's services. Those Terms of Reference have now been agreed by Highland Council and NHS Highland and, specifically, provide detail in terms of membership of that Board which at Board level includes 4 members from Highland Council and 4 Board members of NHS Highland.
- 4.2 It was recognised that a programme management approach would be necessary to specifically focus resource on various areas of work with a view to achieving efficiencies and improving outcomes for communities. The Terms of Reference provide that both a Board and a Team be set up to manage the proposed programme. A Programme Manager has been appointed by both organisations to manage the programme and to date the Board has met on 4 occasions.

5. Management of the Programme

- 5.1 Governance of the project is by the Project Board. Membership of that Board comprises senior officers from both partner organisations and members of both the Highland Council and the Board of NHS Highland. The Project Board has responsibility and oversight in relation to delivery of the project and in terms of the Terms of Reference will develop and report upon such workstreams. Reports will be provided to the Strategic Committees of both partner agencies. The Joint Monitoring Committee has overall oversight in terms of the partnership arrangements in place and any decisions in relation to the projects will be made by that Committee which is responsible for the governance arrangements in relation to the partnership.
- 5.2 A view was formed that the programme would benefit from additional support from the CEOs of both organisations and as such an additional oversight meeting has been established involving the Chief Executives and Directors of Finance of both organisations to monitor progress and offer support if issues require to be escalated in between the holding of programme boards. This is set out at **Appendix A**.

6. The Programme

6.1 The scope and objective of the Programme will focus on improved outcomes and will review where savings and efficiencies can be made. The focus includes both adult care services and integrated children's services and is set out as being to:-

- oversee the future delivery of Adult Social Care and integrated Children's Services;
- ensure more effective delivery of service going forward to deliver both improved outcomes for service users and more efficient use of available resource; and
- focus on workstreams in relation to matters covered by the partnership agreement, namely adult social care and integrated children's services.

6.2 The identified and agreed workstream areas are as noted below:

Workstream Area		Lead
Workstream 1	Community Led Support	NHS
Workstream 2	Transitions – Younger Adults with complex needs	THC
Workstream 3	Residential	NHSH
Workstream 4	Integrated Childrens Care	THC

The methodology to be utilised to assess each workstream area will be the Programme Management Office (PMO) approach in terms of the Project Initiation Document (PID) which is attached at **Appendix B**.

Each workstream area will require to progress through the stages set out below, in order to identify and assess whether the intended outcomes and efficiencies will be capable of successful delivery.

Each workstream has a Senior Responsible Officer (SRO). Each SRO is responsible for the delivery of one workstream. In the first instance each project SRO has been asked to complete a "charter" for their workstream which have been reported to the Project Board. Each workstream area will require to progress through the undernoted stages, in order to identify and assess whether the intended outcomes and efficiencies will be capable of successful delivery



The objectives of the programme are to deliver cashable savings through transformational change. In year 1 the savings target is £3 m. This is a challenging target and savings will include cost improvement savings (in the past such savings have been reported to the NHSH Cost Improvement Programme). At the same time there need to be clear improved outcomes for service users and the programme is not focussed on the delivery of efficiencies but the emphasis is rather on transformational change.

7. Savings Progress

7.1 The headline figures for the programme as of 23 April 2021 are as follows:

- The total count of projects is 23
- The unadjusted pipeline total is £1,406 k
- The risk adjusted pipeline total is £992 k

This progress is against the £3m target set and referred to above. Movement against this baseline will be tracked and reported to both the CEX oversight board and thereafter to the Programme Board and the JMC. This Board will require updates for noting to recognise the contribution made by the Council's transformation funding. Since the last board when the target was set the workstreams have begun looking at savings and improvements within their thematic areas. The current breakdown in terms of savings proposals by workstreams is shown below:

Workstream*	No, of Discreet Savings proposals	Unqualified value of proposals (£000's)	*Qualified value of proposals (£000's)
Residential care	14	£1,156	£729
Transitions/Younger people complex Needs. (TYPCN)	4	£0	£0
Community Led Support. (CLS)	1	£0	£0
Children's Health Service. (CHS)	4	£0	£0
Totals	23	£1,406	£992

*The process for qualifying savings used by NHSH has been adopted by this programme. In this - an increasing percentage of any saving identified will be counted towards the programme targets based on progressing actions to deliver the saving and management of risk. This is done to ensure a realistic picture exists of levels of saving achievable.

7.2 As can be seen all the savings proposals have come from the Residential care workstream. The team involved in this workstream has had significant involvement in the previous cost improvement process, developed skills in identifying cost efficiencies, have a detailed knowledge of the ASC budget as a whole and looked across the Adult Care Budget to identify savings. It is however recognised that there is an overlap with the workstream relating to younger adults and as such there are proposals in place to ensure that where efficiencies span both workstreams that there is input from the SRO for both workstreams to work together to deliver the required savings in line with the target set out.

8. Targets

8.1 Targets have been set for each of the workstreams. These are as follows:-

Workstream*	Service Categories to be explored for savings		TARGET
	Service Categories	Budget	
Residential care	Older People	£70 m	£1, 9 m
	Management and Support	£15 m	
TYPCN	Learning Disability	£32 m	£1,05 m
	Mental Health	£ 7 m	
	Physical Disability	£7 m	
CLS	Notional target	£0 m	£0.050 m
CHS	TBC	TBC	TBC

- 8.2 The targets for residential care and TYPCN are a pro-rated amount based on current spend, CLS has been given a notional target as its focus will be on transformational savings years 2 and 3. Further work is required for CHS prior to any targets being set for this workstream.
- 8.3 The targets above were provisionally agreed by the CEX oversight board. The SROs for the Residential Care and YPCN workstreams have agreed to work collaboratively to review these provisional targets (supported by finance colleagues) and where necessary recommend changes, albeit the total will still need to add up to at least £3m (Minus any target identified from the CHS workstream).
- 8.4 Progress against identifying enough savings and then progressing plans to deliver will continue to be monitored. Between the workstreams the entire adult social care budget is being reviewed for savings, where delivery is best progressed by another workstream or indeed a new workstream this will be proposed through the appropriate governance channels.

9. Risks

- 9.1 **Appendix C** provides a summary of the 5 highest ranked programme risks held in the risk register. Risks with a score of 15 or above will be raised with the board. These concern the ability to deliver cashable savings, alignment of projects and the objectives of the programme and a risk regarding the impact of Covid 19 on progressing workstreams. All of these are reviewed at the programme weekly meeting and the in the first instance would be escalated to the chief executive oversight meeting.

Designation: Executive Chief Officer – Health and Social Care

Date: 5 May 2021

Author: Fiona Malcolm, Interim Head of Integration Adult Social Care and John Robertson Programme Manager

Background Papers:

- Appendix A - Governance Arrangements
- Appendix B - PID Adult Social Care and Integrated Children's Services Transformational Programme 2021-2022 to 2023-2024
- Appendix C - Risk Register

NHSH/THC Transformation Programme Governance

GROUP	PURPOSE	ATTENDEES
Programme Board (2 Monthly)	<ul style="list-style-type: none"> • Provide delivery assurance on behalf of the elected representation and Board members. • Progress update, management of risk and impact on the public 	Elected members, Non-executive Directors, CEOs, Finance Directors, Chief Officers , Programme Manager
CEX Oversight Board (Every two weeks)	<ul style="list-style-type: none"> • Pipeline assessment and delivery forecast review • Review workstreams by exception • Provide assurance of financial delivery against targets • Manage risk and mitigation 	CEOs, FDs, Chief Officers, SROs by Invitation, Programme Manger, Financial Officers
Programme Team (weekly)	<ul style="list-style-type: none"> • Pipeline and delivery tracker reporting • Issue resolution • Review programme set up • Agree and embed delivery assurance and reporting process • Ensure resources are allocated 	Chief Officers, SROs, Workstream Leads / PMs, Programme Manger, Finance Officer Authority
WorkStreams (Weekly)	<ul style="list-style-type: none"> • Review individual schemes • Progress planning tasks • Update pipeline and forecast delivery • Complete project related tasks 	SROs, Workstream Leads / PMs, Programme Manager, Finance Officer, Practice Leads Operational Leads, SMEs as required

The Highland Council / NHS Highland Project Initiation Document

Adult Social Care and Integrated Children's Services Transformational Programme

**2021-2022
to
2023-2024**

Document Control

	Author	Document Holder
Name	Gillian Grant	Gillian Grant

Change History

Version	Date	Changes	Initial
V1.0	25/11/20	Initial draft	GG
V1.1	27/11/20	Revisions to initial draft	GG
V1.2	30/11/20	Further minor revisions to initial draft	GG
V1.3	03/12/20	Revisions following Project Management team on 01/12/20	GG

Approval

Role	Name	Signature	Date
Project Management Board	Co-Chairs: Margaret Davidson Ann Clark		

1.0 Background

The following background is provided, as previously set out in the report to the Joint Monitoring Committee on 22 October 2020:

- The Highland Council and NHS Highland entered into a Partnership Agreement in 2012, establishing the principle of service integration in relation to both children's services and adult care services and setting up the lead agency model. The Partnership Agreement remains in place.
- In 2014, legislation resulted in the development of the Integration Scheme which was submitted to the Scottish Government for approval and represents the current working agreement between the Highland Council and NHS Highland with the Partnership Agreement remaining in place to offer detailed guidance. That Integration Scheme is subject to an ongoing review which has been delayed as a result of the pandemic.
- The position is such that integrated children's services are delegated by NESH Highland to Highland Council so that the Council is, for example, responsible for the delivery of health visiting and school nurse services and the Adult Social Care function is delegated to NHS Highland by Highland Council such that NHS Highland is responsible for the delivery of the adult social work function.
- The financial context has been challenging particularly in terms of the delivery of the adult social care function and both partners recognise the need to make efficiencies in terms of delivery of that function.
- It is accepted that to date both the Council and the NESH have had limited meaningful scrutiny in terms of service delivery and the cost and efficiency of the delivery of both Children's and Adult's Services. However, many positives have been achieved through partnership working and relationships during COVID 19 in the last year which now provides an excellent opportunity for improved scrutiny and governance, and a genuine partnership approach to improved services for families and communities. The revised governance arrangements and approach will ensure that such opportunities are achieved.

At the Joint Monitoring Committee on 22 October 2020, the Highland Council and NHS Highland agreed a Terms of Reference (attached at **Appendix 1**) for a Project Management Board to develop and oversee a transformational programme.

This **Project Initiation Document** therefore now sets out further detail in relation to the agreed Terms of Reference, and provides further clarity on the scope, approach and project structure to deliver the transformational programme.

2.0 Scope and Objective

As per the agreed and attached Terms of Reference, the Project Management Board has been established to:

- oversee the future delivery of Adult Social Care and integrated Children's Services;
- ensure more effective delivery of service going forward to deliver both improved outcomes for service users and more efficient use of available resource; and
- focus on workstreams in relation to matters covered by the partnership agreement, namely adult social care and integrated children's services.

3.0 Project Structure

The Terms of Reference provide for both a Project Board and a Project Team to be set up to manage the proposed projects.

Project Board Membership

Membership of the Project Board will comprise senior officers from both partner organisations and members of both the Highland Council and the Board of NHS Highland as below:

Project Board Membership	
The Highland Council	
Chief Executive (or delegate)	
Four members of THC:	
• Mrs Margaret Davidson (Co-Chair)	
• Mrs Muriel Cockburn	
• Ms Nicola Sinclair	
• Mr Andrew Sinclair	
In attendance – Executive Chief Officer (Health and Social Care)	
In attendance Chief Social Work Officer	
NHS Highland	
Chief Executive (or delegate)	
Four members of NHSH:	
• Ms Ann Clark (Co-Chair)	
• Dr Tim Allison	
• Mr Alex Anderson	
• Mr David Garden	
In attendance – Chief Officer	
In attendance – Director of Adult Social Care	

Project Board Remit

The Project Board will:

- work together towards financial sustainability through redesign of services
- generate a group of workstreams that support transformation and financial recovery
- generate a strategic position in relation to how the partners work
- manage those workstreams proactively taking account of resources and financial commitments in relation to all those services
- adopt a project management approach in terms of the adoption and delivery of new workstreams
- analyse and report upon the effective delivery of current workstreams and to propose improvements where required
- develop and report upon such workstreams to the Joint Monitoring Committee and any Strategic Committees of both partner agencies, as required
- review the Terms of Reference at regular 3-monthly intervals
- refer to the JMC, any governance decisions in relation to the integration scheme / partnership agreement
- Agree the methodology to be used to improve outcomes and generate efficiencies
- Request and receive progress reports from the Project Team.
- Agree the project plan, timescales and any deviations.
- Sign off all identified key project stages.
- Oversee the project's risk register.
- Consider any issues escalated by the Project Team.
- Provide any direction on matters as requested by the Project Team.

Project Board Operational and Administrative Arrangements

- The Project Board will meet monthly / two monthly [note request in covering report].
- Meetings will be scheduled for the following financial year, and confirmed no later than the end of the preceding calendar year.
- The Project Board will elect co-chairs, who will chair alternate meetings.
- The Project Board will agree a standard agenda.
- Any additional items requested for the agenda are to directly relate to pursuing the core objectives of the Project Board.
- Each Partner will ensure a minimum representation of 3, at each Project Board meeting.
- Papers issued for the Project Board are to be received by members no later than 5 days prior to the meeting.
- A draft minute from the meeting is to be circulated no later than 5 working days following the meeting.
- Administration support for the Project Board will be provided by The Highland Council.

Project Team Membership

A Project Team will be established and will comprise officers from both organisations as follows:

Project Management Team Membership
The Highland Council
Chief Social Work Officer
Head of Integration (Health)
Executive Chief Officer Resources (or delegate)
Any such other officer as may be required
NHS Highland
Chief Officer
Director of Adult Social Care
Depute Director of Finance (or delegate)
Any such other officer as may be required
Joint
Programme Manager (Adult Services)

Project Team Remit

The Project Team will:

- Deliver the project scope and objective, as noted above.
- Receive and progress instructions from the Project Board.
- Apply a disciplined programme management approach to the business of the Project Team.
- Propose the methodology to be used to improve outcomes and generate efficiencies through workstream areas.
- Identify and commission relevant workstreams and progress same using the agreed methodology
- Consider ongoing / further workstream opportunities, particularly any which may have arisen as a result of the work carried out by the partner organisations and Third Sector partners in terms of the response to the pandemic.
- Identify / establish a performance management framework to benchmark both delivery of the Project and improved outcomes for service users.
- Analyse and report upon delivery of change.
- Seek and provide any organisational input required to establish, progress and report on workstream areas.

- Identify and maintain a risk register and escalate risks / issues to the Project Board for resolution, as required.
- Provide update reports to the Project Board, or Strategic Committees of the Partner Organisations, as required.

Project Team Operational and Administrative Arrangements

- The Project Team will meet fortnightly (also see below).
- Meetings will be scheduled for the following financial year, and confirmed no later than the end of the preceding calendar year.
- The Project Team will identify a co-chair from each partner, who will chair alternate meetings.
- The Project Team will agree a standard agenda, which will include a review of the previous Project Board actions/instructions.
- Any additional items requested for the agenda are to directly relate to pursuing the core objectives of the Project Board.
- Each Partner will ensure a minimum representation of 3, to each Project Team meeting.
- The joint Project Manager will provide the necessary administration and practical support to the Project Team and oversight of workstreams.
- Papers issued for the Project Team are to be received by members no later than 1 working day prior to the meeting.
- An action note from the meeting will be circulated no later than 2 working days following the meeting.
- For the period to end March 2021, the Project Team will also stand up additional and informal fortnightly meetings (having the effect of the group meeting weekly for this period), the agenda and any papers for which will be issued the day prior.

Workstream Areas and Methodology

- The Project Team will commission workstream areas intended to improve outcomes and generate efficiencies.
- The identified and agreed workstream areas are as noted below:

Workstream Area		Lead Partner
Workstream 1	Community Led Support	NHS
Workstream 2	Transitions	THC
Workstream 3	Residential	NHSH
Workstream 4	Integrated Childrens Care	THC

- A clear and proven methodology will be utilised to assess each workstream area, this being the Programme Management Office (PMO) approach.
- Each workstream area will require to progress through the undernoted stages, in order to identify and assess whether the intended outcomes and efficiencies will be capable of successful delivery.



- The PMO approach will:
 - Coordinate and review all priority schemes across to enable the cumulative impact to be assessed
 - Ensure rigour in planning
 - Provide systematic tracking and transparency of each project initiatives' performance
 - Enable a supporting framework to raise issues and address them
 - Drive the pace of project delivery, performance and visibility through the introduction of project management standards.

- Further detail on the above pipeline process and gateway stages is provided at **Appendix 2**.

4.0 Project Plan

- The outline project programme is provided within the separate master programme (**attached**).

5.0 Governance and Reporting

- The Project Board will have responsibility and oversight in relation to delivery of the project and will develop and report upon such workstreams to the Joint Monitoring Committee.
- The Project Team will report to the Project Board, and each workstream area will be commissioned by and will report to, the Project Team.
- The governance and reporting structure is as set out at **Appendix 3**, which includes initial priority workstream areas.

6.0 Project Assumptions

- Separate (to the Project Board/Team) and successful conclusion of reviewed integration scheme, including the funding mechanism and risk sharing agreement.
- Availability of a joint Programme / Project Manager from early January 2021.
- Sufficient resourcing and prioritisation of workstreams to enable progress at the agreed/desired pace, including the provision of further project management input from each partner organisation to progress the necessary individual workstreams.

7.0 Risk Register / Escalations Log

- A risk register and escalations log will be maintained by the Project Team and reported to the Project Board as a standing item.

The Highland Partnership – The Highland Council and NHS Highland
Project Management Board

Terms of Reference

The Project Board is established to oversee the future delivery of Adult Social Care and integrated Children's Services to ensure the efficient delivery of service for services users and is committed to achieving the best possible outcomes for all Highland's population across the Highland Council area.

The role, function and membership are outlined below.

Role and Function:

- To work together towards financial sustainability through redesign of services
- to generate a group of workstreams that support transformation and financial recovery
- To generate a strategic position in relation to how we work
- To manage those workstreams proactively taking account of resources and financial commitments in relation to all those services
- To adopt a project management approach in terms of the adoption and delivery of new workstreams
- To analyse and report upon the effective delivery of current workstreams and to propose improvements where required
- To develop and report upon such workstreams to the Joint Monitoring Committee
- To review the Terms of Reference at regular 3-monthly intervals

Membership:

The Project Management Board shall be comprised of the Chief Executive from the Local Authority and the Chief Executive of the Health Board or such other person as that Chief Executive shall nominate. The Project Management Board shall also include four members of the Highland Council and four members of the NHS Board. Those members shall act as the joint sponsors of the project. In terms of the membership from the Highland Council those members shall be constituted by 2 members from the Administration and 2 members from the Opposition. At present the members from the Opposition shall comprise one member from the SNP and one from the Conservative and Unionist party. A chair will be appointed to the Project Management Board following a meeting comprising the CEOs, the Highland Council Members and the Health Board Members. This meeting will also consider the Terms of Reference and finalise through discussion.

The Project Management Board will receive regular reports from the Project Management Team detailing the work completed in terms of the role and function referenced above.

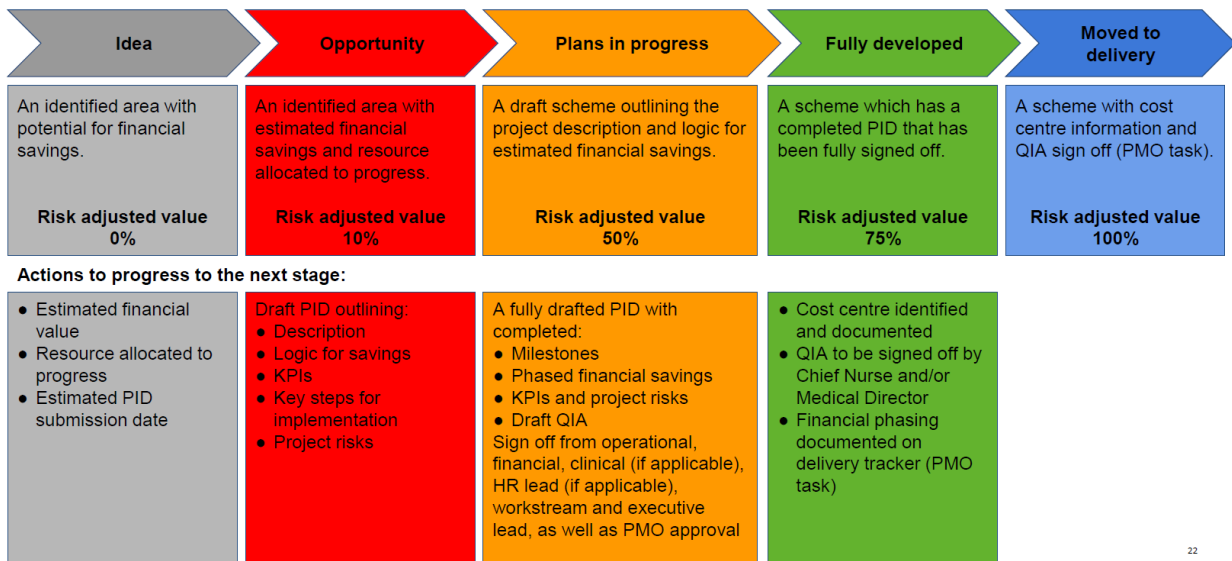
The following officers will have a role in terms of the Project Management Team:-

In terms of the Local Authority – The Chief Social Work Officer, The Head of Integration Adult Social Care, a nominee on behalf of the Executive Chief Officer Resources and such other officers as may be nominated by the Local Authority.

In terms of the Health Board – The Director of Adult Social Care, a nominee on behalf of the Director of Finance and such other officers as may be nominated by the Health Board.

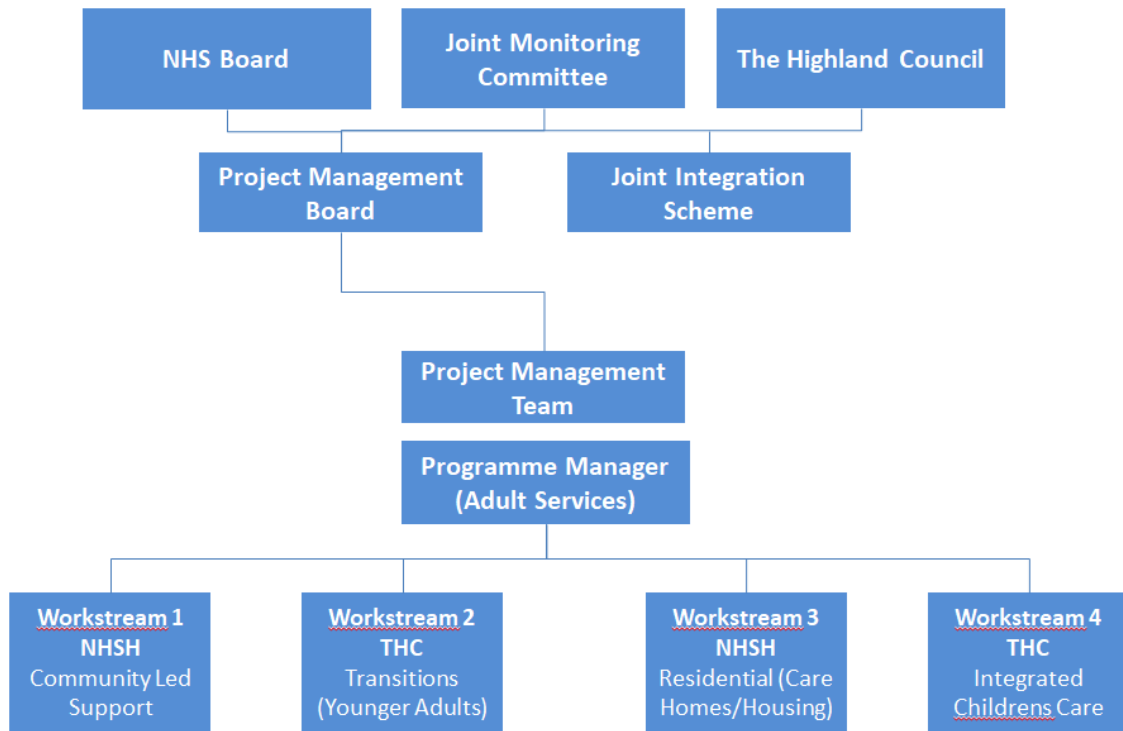
Both organisations recognise that project management input may be required which will, where possible, be resourced within the existing organisations. There will be a joint appointment of a person to adopt an independent "consultant" role to drive the project management approach and ensure that the workstreams progress at pace.

PMO (Programme Management Office) Pipeline Process and Gateways



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**THC / NHS Transformational Plan Structure
2020-2021**



APPENDIX C

Id	Risk	Description	Risk Score	Mitigation	Date Reviewed
1	Anticipated financial benefit not realisable	After initial assessment there may be a shortfall in the possible amount of savings available	20	Progress to be scrutinised for ability to deliver cashable efficiencies and when these will be delivered. Additional opportunities to be sought as necessary.	14/04/21
2	Mismatch between identified projects and Programme Objectives particularly in relation to financial savings	If the constituent projects are not aligned with delivering the objectives from the Programme Board resources may be being used inappropriately.	15	Progress to be scrutinised for ability to deliver cashable efficiencies and transformation. Where issues arise these will be escalated in the first instance to the CEO oversight meeting.	14/04/21
3	Covid 19	Prioritisation of the transformational programme whilst in a continuing and faced paced period of Covid-19 related change.	15	Ongoing review of impact and escalation to project team and board if necessary	14/04/21
4	Complexity of programme	At the outset the programme and its component parts is complex and has many potential interrelationships	8	Encourage simplicity of project approach where possible and ensure controls are in place to manage delivery and quality	14/04/21
5	Negative public response to transformational plans and proposals, where these require change to services	This may relate both to cost cutting initiatives and transformational initiatives	8	These considerations will be an important part of the planning for workstreams and prompts for planning are contained within the PID documentation.	14/04/21