Agenda Item	**10**
Report No	**HCW/20/26**

The Highland Council

Committee:	**Health, Social Care & Wellbeing**
Date:	**19 August 2026**
Report Title:	**Delivery Plan Monitoring & Progress Update – Person Centred Solutions Q1 2026-2027**
Report By:	**Assistant Chief Executive - People**

1. Purpose/Executive Summary

1.1 The Delivery Plan 2024-2027 consists of 66 projects/programmes, managed through 6 Portfolio Boards. This number will fluctuate as future work is developed, current projects close or work is restructured in order to improve an approach for successful delivery. Each project is reported to a relevant committee for consideration and scrutiny in terms of the Portfolio Reporting Cycle agreed at Council on 14 May 2026. Exceptions to this general rule may apply when for example circumstances merit a standalone project/programme report to either committee or council. If exceptions apply this report will signpost to where the relevant reporting can be found.

1.2 This report provides financial, performance, risk and general information on the following Delivery Plan projects/Programme:

- Children's Houses
- Efficiencies from Social Work Procurement
- eRecords

1.3 The content and structure of the report is intended to:

- assist Member scrutiny and performance management
- inform decision making and aid continuous improvement, and
- provide transparency and accessibility

2. Recommendations

2.1 Members are asked to:

i. **Note** the Delivery Project updates provided in this report;
ii. **Note** change of project title from Residential Care to Children's Houses; and
iii. **Note** the revised format of this report, which includes the use of portfolio board project dashboards from the Performance and Risk Management system (PRMS), with accompanying project narrative sections aligned to the content of these.

3. Implications

3.1 **Resource -** There are no resource implications arising as a direct result of this report. Any resource implications (if any) for delivery plan projects or programmes are detailed in the Financials sections of each of the project updates provided below.

3.2 **Legal -** This report contributes to the Council's statutory duties to report performance and secure best value in terms of Section 1(1)(a) of the Local Government Act 1992, and Section 1 of the Local Government in Scotland Act 2003, respectively.

3.3 **Risk -** There are no risk implications arising as a direct result of this report. Project/Programme risks are assessed via the Council risk management process and monitored through the Portfolio Boards.

3.4 **Health and Safety (risks arising from changes to plant, equipment, process, or people) -** There are no implications arising as a direct result of this report.

3.5 **Gaelic -** There are no implications arising as a direct result of this report.

4. Impacts

4.1 In Highland, all policies, strategies or service changes are subject to an integrated screening for impact for Equalities, Poverty and Human Rights, Children's Rights and Wellbeing, Climate Change, Islands and Mainland Rural Communities, and Data Protection. Where identified as required, a full impact assessment will be undertaken.

4.2 Considering impacts is a core part of the decision-making process and needs to inform the decision-making process. When taking any decision, Members must give due regard to the findings of any assessment.

4.3 This is an update report and therefore an impact assessment is not required.

5. Children's Houses

5.1 <u>Overall Project RAG & Milestones</u>

Below is an extract of the first page of the PRMS project dashboard which contains the Overall Project RAG and Key Project Milestones against which, project progress is tracked.

Project: Children's Houses G

We will retain children in their local communities and networks, and return children who are placed out of authority to Highland wherever possible, to ensure better outcomes at less cost.
A programme to ensure that young people in formal care arrangements are looked after and nurtured as close as possible to their own community networks.

ACTIVITY:
Highland Council residential provision is better value than commissioned residential placements and allows children to remain close to their local communities. This would require support from Estates Services in repair and procurement of properties and would also require capital projects to be approved within the Capital Programme. Capacity would increase from 26 to 40 care spaces available.
Re-establish and increase provision for overnight short breaks across Highland.

1. Strengthen local community solutions (completed):
- Scale up and sustain Family Group Decision Making.
- Scale up and sustain Scottish Child Interview Model (SCIM).
- Develop a Children's Rights & Participation Team.

2. Strengthen local community solutions (continuing):
- Evaluate the impact of the wider roll out of FGDM across Highland and its effectiveness in improving outcomes for children.

26/04/26: Change Project name from Home in Highland to Residential Care.
06/07/26: Rename Residential Care to Children's Houses as agreed by the Shifting the Balance of Care Project Board. Agreed at June PCS board

MILESTONES		CURRENT STATUS
Starts Apr24 / Completes Jun24	Home in Highland: Children's Rights team	**M3 24/25 Completed**
Starts Apr24 / Completes Aug24	Home in Highland: FGDM and SCIM team permanent	**M6 24/25 Completed**
Starts Jul24 / Completes Oct24	Efficiencies from SW Procurement: Opening the WFWP Fund	**M7 24/25 Completed**
Starts Apr25 / Completes May25	Home in Highland: Establish cross service/agency forum	**M5 25/26 Completed**
Start Apr25 / Completes Oct25	Home in Highland: Five young people to move from purchased provision, aged 14 or under, to local community setting (non-purchased)	**M9 25/26 Completed**
Starts Dec25 / Completes Jan26	Home in Highland: Identify accommodation requirements within current Out of Area CEYP	**M10 25/26 Completed**
Starts Dec25 / Completes Jan26	Home in Highland: Establish Residential Project Team	**M11 25/26 Completed**
Starts Dec25 / Completes Apr26	Home in Highland: FGDM Evaluation Report	**M2 26/27 Completed**
Starts Sep25 / Completes Jun26	Children's Houses: Reopen short stay facilities at The Orchard, Thor House, Skye	**M4 26/27 Some Slippage**
Starts Jan26 / Completes Oct26	Children's Houses: Repair & Refurbishment of Braeside, Daviot	**M4 26/27 Some Slippage**
Starts Jan26 / Completes Nov26	Children's Houses: Work with Property & Assets service to identify properties to suit required provision	**M4 26/27 On Target**
Starts Jan26 / Completes Dec26	Children's Houses: Submit capital expenditure requests by end of 26	**M4 26/27 On Target**
Starts Mar30 / Completes Mar30	Children's Houses: Project Closure and transfer to BAU	

5.2 <u>Overall Project RAG</u>

This project has been RAG'd as green as current residential capacity remains at 26 Highland Council beds against a target of 37 by 2029 with the five Children's House development Projects underway and at present within timescales.

Purchased residential placements remain above target, with continued pressure from complex care requirements and out-of-area placements.

5.3 <u>Milestones</u>

A property in Invergordon, with a 5 bedroom/5-bathroom layout for up to 4 children, is undergoing final assessments for purchase the intention is to identify children in spot purchased placements to move to this house.

Work has been ongoing between Children's and Property Services to assess properties coming onto the market in Caithness. This has proved challenging, due to preferred operational locations and a small number of larger, appropriate properties coming onto the market. Three properties have been evaluated, and one has been deemed suitable via an option appraisal by Children's Services staff.

Key activities in the future include
- Progress Braeside refurbishment programme.
- Confirm Orchard House renovation programme.
- Progress property identification for Caithness.
- 26/30 Budget and savings profile to be completed.

5.4 <u>Key Risks & Measures of Success</u>

Below is an extract of the second page of the PRMS project dashboard which sets out the Key Risks and Measures of Success for the project.

INVESTMENT		LATEST UPDATE
£	Families First: Investment: EMR (Current FY Forecast)	£ 679,058
£	Families First: Investment: Revenue (Current FY Forecast)	£ 0

KEY RISKS ASSESSED / RESPONSE	CURRENT RISK RATING	RESPONSE
Home in Highland: Savings Targets Not Achieved	12	Treat

MEASURES OF SUCCESS		CURRENT STATUS
£	Children's Services: Family First Approach: Savings FY 24-28 (Current FY Forecast)	£ 1,200,000
Children's Houses: Increase number of THC residential beds		26
Children's Houses: Decrease number of commissioned residential beds		46
Children's Houses: Decrease number of secure care placements		2

5.5 Key Risks

Risk	Impact
Delays in residential estate projects	Continued reliance on purchased and out-of-area placements until at least December 2026
Foster carer recruitment and retention challenges	Reduced ability to increase family-based care capacity
Kinship placement instability	Potential increase in residential and fostering demand
Capital and project management capacity constraints	Slower delivery of planned residential expansion programme

5.6 Financial Measures

i) Savings

A Multiyear budget recovery plan for 2026 – 2029 has been considered and will be overseen by the Budget Recovery Group, chaired by the Chief Executive. This is being supported and scrutinised through a Shifting the Balance of Care Oversight Group, comprising Senior Officers from within the People Cluster.

ii) Investment

Despite an ongoing increase in kinship placements these are not currently mitigating against the significant increase in purchased residential provision. Work is underway with support from Finance Service to shift the balance of care from purchased placements, predominantly outside of Highland, to either Family Based are or increasing local residential care provisions. This will achieve a reduction in children moving away from their local communities and supports alongside a reduction in overspend, and ultimately savings.

5.7 Performance & Measures of Success

Performance and measures of success figures shown in 5.4 above are correct as at end of Q1 2026/2027.

Progress against the residential estate programme includes:

Project	Status	Update
Children's House Capital Submission	On Target	Final two submissions lodged with Capital Programme Board on 01/07/2026
Property Identification	On Target	Mid Highland property identified; North Highland properties being scoped
Braeside Repairs & Refurbishment	On Target	Tender documentation being prepared with estimated completion of works by December 2026
Orchard House / Thor House / Skye Provision	Completed / some slippage	Orchard and Thor House reopened; Skye currently providing day support services
Residential Capacity Expansion	On Target	Earliest availability of additional residential provision anticipated December 2026

6. Efficiencies from Social Work Procurement

6.1 Overall Project RAG & Milestones

Below is an extract of the first page of the PRMS project dashboard which contains the Overall Project RAG and Key Project Milestones against which, project progress is tracked.

Project: Efficiencies from Social Work Procurement **A**

In order to provide more sustainable support for care providers, we are establishing more effective mechanisms to commission partners.

ACTIVITY:
The Shared Procurement and HSC Services will ensure that commissioned SW services and contracts fully comply with current procurement regulation and achieve improved outcomes and deliver Best Value.

PROJECT ELEMENTS:
- Review commissioned services with support from Shared Procurement Service to determine outcome achievement, cost benefit or otherwise.
- Develop a commissioning framework.
- Engage with current/future providers – outcomes focused.
- Enable the provision of longer-term contacts for providers.
- Shift from commissioning to direct payment to families where appropriate.

MILESTONES		CURRENT STATUS
Starts Apr24 / Completes Jun24	Efficiencies in SW Procurement: Category & Contracts Manager appointed	**M3 24/25 Completed**
Starts Jul24 / Completes Oct24	Efficiencies from SW Procurement: Opening the WFWP Fund	**M7 24/25 Completed**
Starts Sep24 / Completes Jan25	Efficiencies from SW Procurement: Savings identified	**M7 24/25 Completed**
Starts Jan25 / Completes Apr25	Efficiencies from SW Procurement: Model contracts offered to providers	**M12 24/25 Completed**
Starts Apr25 / Completes Jun25	Efficiencies from SW Procurement: Commissioning framework in place	**M4 25/26 Completed**
Starts Aug25 / Completes Sep25	Efficiencies from SW Procurement: Review annual progress Sept25	**M8 25/26 Completed**
Starts Sept24 / Completes Dec25	Efficiencies from SW Procurement: Contracts review complete	**M9 25/26 Completed**
Starts Aug26 / Completes Sep26	Efficiencies from SW Procurement: Review annual progress Sept26	
Stars Mar26 / Completes Mar27	Efficiencies from SW Procurement: Completion of commissioning work to establish a Highland Domestic Abuse Service (HDAS)	**M4 26/27 Completed**
Starts Mar26 / Completes Mar27	Efficiencies from SW Procurement: Identifying a new provider arrangement for Intensive Support services across Highland	**M4 26/27 Completed**
Starts Mar26 / Completes Mar27	Efficiencies from SW Procurement: Identifying a new provider arrangement for Supported Independent Living (On-Site), Inverness	**M4 26/27 On Target**
Starts Oct26 / Completes Mar27	Efficiencies in SW Procurement: Project Closure and transfer to BAU	

6.2 Overall Project RAG

This project is RAG'd as Amber as the savings requirement of £100,000 for FY2026/2027 remains to be identified. The team continues to actively explore opportunities to deliver these additional savings through forthcoming tenders, contract redesign, and market engagement. All opportunities are being assessed carefully to ensure that financial efficiencies do not negatively impact on service quality or outcomes for supported individuals.

6.3 Milestones

A detailed Strategic Commissioning report is being considered elsewhere on the Committee agenda. The following provides a high level overview.

Commissioning activity has continued with the aim of moving away from short-term or fragmented arrangements and towards longer-term contractual solutions across priority service areas. The key milestone activity as it stands is as follows:

Highland Domestic Abuse Service (HDAS)
Commissioning work to establish a consistent Highland Domestic Abuse Outreach Service has concluded. The tender for HDAS South was awarded to Inverness, Badenoch and Strathspey Citizen's Advice Bureau in June 2026 with a contract start date of July 2026. This contract is also aligned to the other female domestic abuse support providers who have signed up to HDAS ensuring the delivery of a more cohesive service model.

Intensive Support Services
The tender evaluation has now been completed and an award has been made to Right There who will take over this provision from Action for Children in October 2026.

Supported Independent Living (On-Site), Inverness
Commissioning activity to identify a new provider for on-site supported independent living provision in Inverness. This tender is currently at the standstill stage before an award can be made. The bidders have been informed of the outcome and a contract is scheduled to be awarded during July. Any awarded contract would be due to commence in February 2027.

Justice Outreach
Commissioning requirements for Justice Outreach services remain a priority. A tender for a framework for Justice Outreach support throughout Highland is due to go live during July 2026.

Crisis Outreach
This area relates to services for young people with high and complex needs who require specialist crisis outreach support. This remains at the work stage. This is at an initial scoping stage with work ongoing to clarify the service requirement and the procurement need. A number of potential delivery models are continuing to be explored.

6.4 Key Risks & Measures of Success

Below is an extract of the second page of the PRMS project dashboard which sets out the Key Risks and Measures of Success for the project.

MEASURES OF SUCCESS	CURRENT STATUS
£ Efficiencies from Social Work Procurement: Savings FY 24-27 (Current FY Forecast)	£ 0
Efficiencies from SW Procurement: % Multi-year contracts with providers - Annual	12 %

KEY RISKS ASSESSED / RESPONSE	CURRENT RISK RATING	RESPONSE
Efficiencies from SW Procurement: Negative impact on Clients	6	Tolerate
Efficiencies from SW Procurement: Resistance to Framework Changes	6	Tolerate

6.5 Key Risks

There are no new or emerging risks to report at this stage, and no changes to existing risks. Current risk mitigations remain appropriate, and risks continue to be monitored through established governance arrangements.

6.6 Financial Measures

iii) Savings

The service has successfully delivered its two-year savings target of £500,000. This represents a significant achievement and reflects the effectiveness of the commissioning and procurement activity undertaken to date. For FY 2026/2027 (year three), a further savings requirement of £100,000 remains to be identified.

6.7 Performance & Measures of Success

All performance and measure of success figures shown above are correct as at end of Q1 2026/2027.

Measures of success for this programme focus on both financial and non-financial outcomes.

7. eRecords

7.1 Overall Project RAG & Milestones

Below is an extract of the first page of the PRMS project dashboard which contains the Overall Project RAG and Key Project Milestones against which, project progress is tracked.

Workstream: Digital Solutions and Commissioning

Project: eRecords **R**

Ensuring our case management systems are effectively implemented and used.

ACTIVITY:
Seek opportunities to deploy digital solutions across the Service where there is a robust Business Case which demonstrates service efficiencies and/or performance improvements.

PROJECT ELEMENTS:
- With NHSH, eHealth programme to digitalise Child Health Records.

Portfolio: Person Centred Solutions

Portfolio Sponsor: Assistant Chief Executive

MILESTONES		CURRENT STATUS
Starts Apr24 / Completes Dec24	eRecords: Digital storage strategies	**M7 24/25 Completed**
Starts Dec24 / Completes Jul25	eRecords: Agree Project Brief with NHSH	**M4 25/26 Completed**
Starts Aug25 / Completes Aug25	eRecords: Present Business Case at PCS Portfolio Board	**M5 25/26 Completed**
Starts Mar25 / Completes Dec25	eRecords:Agree Business Case and full costings at Partnership JOG	**M10 25/26 Completed**
Starts Mar27 / Completes Mar27	eRecords: Project Closure and transfer to BAU	

7.2 Overall Project RAG

Red Status (Not Achieving Target): The Digital E-Records Project is currently rated **Red** on PRMS as delivery of the project is dependent on a partnership approach, with NHS Highland leading implementation through its eHealth Transformation Programme.

Progress has not been achieved within the planned timescales due to insufficient capacity and competing priorities within the NHS Highland eHealth Transformation Programme, resulting in an inability to progress the required development and implementation activity. As a consequence, key project milestones have not been met and the intended benefits of the digital solution remain unrealised, placing the project off target and requiring renewed strategic prioritisation and partner commitment to enable delivery.

E Records as a critical enabler to the delivery of the Universal Health Visiting Pathway (UVHP)

The Highland Council store and manage over 40,000 paper Child Health Records on behalf of NHS Highland (data owners). Highland continues to be an outlier in Scotland in terms of the implementation of E Records, with all other NHS Boards either fully or partially implementing an E Record system. Progression towards E Records is a critical enabler to the delivery of the full UVHP with eleven home visits for “all” from pre-birth to five years.

Key Risks (without the implementation of MORSE)

- Reduced ability to identify and manage safeguarding risks due to the absence of real-time, accessible child health records across services and agencies.
- Lack of efficiency where 30% clinical time is managing paper records at an annual cost of around £1.8m. This excludes records storage cost.
- Lack of capacity to safely expand toward the full delivery of the UVHP.
- Inability to reliably monitor and evidence delivery of the Universal Health Visiting Pathway (UVHP), limiting assurance, governance, and performance reporting.
- Poor quality population health intelligence and data, reducing the ability to plan services, target resources, and respond to emerging needs across Highland communities.

Mitigating Action

Options appraisal has been completed determining there should be the phased expansion of the Universal Health Visiting Pathway (led by The Highland Council) underpinned by the implementation of the MORSE Electronic Child Health Record system via VDI. (led by NHS Highland).

A full partnership business case and detailed delivery plan should be drafted with supporting implementation costs, intended to deliver the anticipated operational, clinical and efficiency benefits.

7.3 Milestones

Milestone 1: Business case, funding approval and delivery plan agreed.
Milestone 2: MORSE system implemented and operational across Child Health Services.
Milestone 3: Phase 1 UVHP expansion delivered, and benefits realisation reporting established.

7.4 Key Risks & Measures of Success

Below is an extract of the second page of the PRMS project dashboard which sets out the Key Risks and Measures of Success for the project.

MEASURES OF SUCCESS	CURRENT STATUS
eRecords: Increased direct access to records - Starts reporting FY26/27 - Annual	
eRecords: Reduced time on record management - Starts reporting FY26/27 - Annual	

KEY RISKS ASSESSED / RESPONSE	CURRENT RISK RATING	RESPONSE
eRecords: No Funding	15	Tolerate
eRecords: Insufficient NHSH eHealth priority and resource	6	Tolerate
eRecords: Insufficient NHSH Morse Oversight Group priority	6	Tolerate

7.5 Key Risks

Lack of Capacity and Priority within the E Health Transformation Programme
Lack of Funding Agreements.
Lack of Partnership Project Leadership

7.6 Financial Measures

There are no Delivery Plan financial measures directly associated with this project.

7.7 Performance & Measures of Success

Current measures of success apply to after solution is implemented.

Designation: Assistant Chief Executive - People

Date: 20 July 2026

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Background Papers: N/A
Appendices: N/A