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**Item No: 15**

**Meeting Date: Wednesday 24<sup>th</sup> January 2024**

## **Glasgow City Integration Joint Board**

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### **National Care Service Update**

**Purpose of Report:**

This report provides the Integration Joint Board with an update on the current position of the Scottish Government's National Care Service (Scotland) Bill.

**Background/Engagement:**

In 2020 the Scottish Government commissioned the Independent Review of Adult Social Care (IRASC), and a report with recommendations was published in February 2021 (also referred to as 'The Feeley Review').

The Scottish Government subsequently commenced a national consultation on proposals arising from the initial IRASC in August 2021, which included the development of a National Care Service (NCS) for Scotland.

The Cabinet Secretary for Health and Social Care formally introduced the National Care Service (Scotland) Bill (the Bill) to the Scottish Parliament on 20 June 2022.

The Scottish Government engaged throughout Summer 2023 in a programme of co-design events across the country through national and regional online and regional face to face events to hear views on the future of health and social care and contribute to the Government's planning for the NCS. Representatives of Glasgow City HSCP have been in attendance at several of the engagement opportunities that took place.

**Governance Route:**

The matters contained within this paper have been previously considered by the following group(s) as part of its development.

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	HSCP Senior Management Team <input type="checkbox"/> Council Corporate Management Team <input type="checkbox"/> Health Board Corporate Management Team <input type="checkbox"/> Council Committee <input type="checkbox"/> Update requested by IJB <input type="checkbox"/> Other <input type="checkbox"/> Not Applicable <input checked="" type="checkbox"/>
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<b>Recommendations:</b>	The Integration Joint Board is asked to:  a) note the content of this report.
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**Relevance to Integration Joint Board Strategic Plan:**

The outcome of the development of a Bill to introduce a National Care Service will have a direct consequence for the IJB's Strategic Plan. The impact on the current Strategic Plan will not be known until decisions are made about the timescales for implementation of the NCS.
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<b>Implications for Health and Social Care Partnership:</b>
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<b>Reference to National Health &amp; Wellbeing Outcome(s):</b>	None.
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<b>Personnel:</b>	The report highlights that the Bill contains powers to transfer local government staff from their current employer to local Care Boards, but that the shared accountability agreement between the Scottish Government and COSLA suggests that staff will not be required to transfer from their current employer.
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<b>Carers:</b>	None.
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<b>Provider Organisations:</b>	None.
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<b>Equalities:</b>	None.
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<b>Fairer Scotland Compliance:</b>	None.
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<b>Financial:</b>	This report outlines the revised and additional Financial Memoranda that outline revised costings for implementation of the NCS as envisaged in the original Bill and subject to certain amendments proposed.
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<b>Legal:</b>	Legal Services are engaged in the planning for implementation of a NCS and are scrutinising the latest developments outlined within this report.
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<b>Economic Impact:</b>	None.
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<b>Sustainability:</b>	None.
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<b>Sustainable Procurement and Article 19:</b>	None.
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<b>Risk Implications:</b>	Governance structures within the Council and HSCP are reviewing the updated information to understand the risks associated with the detail of the report. There is currently insufficient clarity on much of the detail to be able to accurately understand and mitigate risks.
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<b>Implications for Glasgow City Council:</b>	The report outlines that there is no presumption of the requirement to transfer functions, staff or assets from local authorities to care boards and that local authorities will retain their statutory responsibilities. It is being proposed that local authorities will be represented on the proposed new National Care Service Board and will be part of a shared accountability framework.
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<b>Implications for NHS Greater Glasgow &amp; Clyde:</b>	The report outlines that Health Boards will be represented on the proposed new National Care Service Board and will be part of a shared accountability framework.
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<b>Direction Required to Council, Health Board or Both</b>	
<b>Direction to:</b>	
1. No Direction Required	<input checked="" type="checkbox"/>
2. Glasgow City Council	<input type="checkbox"/>
3. NHS Greater Glasgow & Clyde	<input type="checkbox"/>
4. Glasgow City Council and NHS Greater Glasgow & Clyde	<input type="checkbox"/>

### 1. Purpose

- 1.1. This report provides the Integration Joint Board with an update on the current position of the Scottish Government's National Care Service (Scotland) Bill.

### 2. Background

- 2.1 In 2020 the Scottish Government commissioned the Independent Review of Adult Social Care (IRASC), and [a report with recommendations](#) was published in February 2021 (also referred to as 'The Feeley Review').
- 2.2 The Scottish Government subsequently commenced [a national consultation](#) on proposals arising from the initial IRASC in August 2021, which included the development of a National Care Service (NCS) for Scotland. Both our Health and Social Care Partnership (HSCP) and Integration Joint Board (IJB) separately participated in the consultation.
- 2.3 The Cabinet Secretary for Health and Social Care formally introduced the National Care Service (Scotland) Bill (the Bill) to the Scottish Parliament on 20 June 2022. [Contents of the Bill along with related information](#) is available on the Scottish Parliament website.

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- 2.4 The Bill as published establishes and sets out the principles of and the new NCS for Scotland and enables Scottish Ministers to transfer a range of services and functions from Local Authorities to the NCS subject to Parliamentary approval.

### 3. Context

- 3.1 The passage of a Bill through the Parliamentary process is done in stages, with Stage 1 seeking agreement on the general principles of any Bill. Stage 1 consideration of the Bill was due to conclude via Parliamentary debate by 17 March 2023. However, the Scottish Parliament's Health, Social Care and Sport (HSCS) Committee originally agreed to defer the deadline for the Stage 1 debate until 30 June 2023. This was followed by a request by Scottish Ministers in April 2023, for a further extension until after summer 2023.
- 3.2 This was to allow them to use the time to find compromise and reach consensus with those who raised concerns during the initial scrutiny undertaken at Stage 1 as well as continuing engagement and co-design activities through summer before moving to the next stage of the Bill.
- 3.3 On 7 June 2023, the [Scottish Parliament agreed](#) that consideration of the NCS Bill at Stage 1 be extended to 31 January 2024.
- 3.4 In June 2023, the Scottish Government and COSLA signed [the Verity House Agreement](#), setting out a vision for a more collaborative approach to delivering shared priorities for the people of Scotland and committing to working together to tackle poverty, transform the economy through a just transition to net zero and deliver sustainable, person-centred public services.
- 3.5 The Agreement sets out a framework for working together that includes commitments to; a positive working relationship be based on mutual trust and respect; consulting and collaborating as early as possible in all policy areas where Local Government has a key interest; regular review of powers and funding for Local Government; a default position of no ring-fencing or direction of funding and; a focus on the achievement of better outcomes locally for individuals and communities.
- 3.6 In July 2023, the Scottish Government and COSLA [announced that they have come to an initial agreement on sharing accountability arrangements](#) for social care and social work support as part of the NCS Bill. This proposal would see Ministers, local authorities and NHS boards share accountability through a new National Care Service Board structure with responsibility for national improvement, standards and oversight, and with an agreed escalation framework in place for when standards are not met.
- 3.7 The agreement confirms that local authorities would retain responsibility for service delivery functions, staff and assets and that funding would continue to flow through local government to support local delivery and procurement of social care.

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- 3.8 The Scottish Government engaged throughout Summer 2023 in a programme of co-design events across the country through national and regional online and regional face to face events to hear views on the future of health and social care and contribute to the Scottish Government's planning for the NCS. Representatives of Glasgow City HSCP have been in attendance at several of the engagement opportunities that took place. Output from the co-design events can be reviewed on the Scottish Government's [website](#).

## 4. Current Position

- 4.1 During October 2023, the HSCS Committee continued its scrutiny of the Bill in preparation for the Stage 1 debate and heard evidence on the National Care Service at three sessions; [3 October 2023](#); [24 October 2023](#); [31 October 2023](#).
- 4.2 The Committee heard evidence from a range of people and organisations including; Maree Todd the Minister for Social Care, Mental Wellbeing and Sport; COSLA; SOLACE; Local Authorities; Health and Social Care Partnerships; Coalition of Care and Support Providers in Scotland; Health and Social Care Alliance Scotland; Scottish Care and Trades Unions.
- 4.3 Some of the comments and observations highlighted during the evidence sessions included:
- Improvement in social care and our community services cannot wait for a legislative programme that could take a number of years
  - The importance of sending a strong message to our workforce that they are valued for who they are and for what they bring to the system
  - Unclear about what the shared accountability agreement means and how it affects the structure of the NCS
  - Details on the proposed National Care Service Board are still not clear
  - The structure of IJBs and HSCPs will evolve and probably strengthen in order that they can oversee local delivery of social care.
  - Disappointment that decisions about the shared accountability agreement, in the context of a Bill that purports to be about co-design and engagement, was done behind closed doors
  - Lack of clarity about how the principles to be agreed at Stage 1 will reflect the amendments to be proposed at Stage 2.
- 4.4 Following the sessions, the HSCS Committee wrote to the Minister for Social Care, Mental Wellbeing and Sport on [7 November 2023](#) requesting clarification on the amendments the Government intend to make and that amendments be brought forward within a reasonable timeframe to ensure that detailed scrutiny can take place prior to the Stage 1 debate. The full letter is available to read on the Scottish Parliament website.
- 4.5 [On 6 December 2023](#), the Minister for Social Care, Mental Wellbeing and Sport responded to the Health Sport and Social Care Committee's letter and provided information on:
- Amendments that will be required the Bill to reflect the shared accountability model

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- Intention to reform Integration Authorities (IAs) rather than establish Care Boards and make reformed IAs accountable to the National Care Service Board
- Restated intention to explore directly funding reformed IAs for some agreed, but not all, funding for community health and social care
- Intention to carry over any existing powers in Public Bodies Act which haven't yet been used such as powers to directly employ chief officers and other members of staff
- National Care Service Board to include an independent chair, local government, NHS and people with lived experience (with voting rights)
- Commitment to National Social Work Agency with further clarity on its establishment when they provide Stage 2 information
- If children's services and justice services are to be within the scope of the NCS they will be subject to shared accountability agreement
- how the cost estimates will change to reflect the agreement that local authorities retain statutory functions, assets and staff as well as estimated costs associated with proposed changes to IAs such as: direct employment of Executive Officers and HR team; Community Engagement Staffing; Grant Support for lived experience board members and engagement and co-design funding
- a revised timescale that indicates that reform of IAs will be phased in later, starting in 2028/29.

- 4.6 This was followed by [a further letter to the Finance and Public Administration Committee on 11 December 2023](#) with an updated financial memorandum for the Bill. The updated Financial Memorandum (FM) updates the original FM submitted for scrutiny and reflects the current estimate of introducing the Bill as originally introduced to Parliament. The main movement from the original FM is the movement in the planned go live for NCS from 2025-26 to 2028-29, a reduction in the cost for the Scottish Administration of setting up NCS and a review of inflationary assumptions to reflect actual data and latest trend information.

The revised costs of implementing the published Bill in the table below show that forecasts have increased from a maximum of £527m to a maximum of £609m, with implementation now extended to 2031-32.

Table 1: Updated costs of implementing the Bill as published

	2022-23 £Ms	2023-24 £Ms	2024-25 £Ms	2025-26 £Ms	2026-27 £Ms	2027-28 £Ms	2028-29 £Ms	2029-30 £Ms	2030-31 £Ms	2031-32 £Ms
Original FM	£24-£36	£63-£95	£84-£126	£234-£477	£241-£527					
Revised FM	£13	£11-£13	£13-£17	£32-£46	£45-£64	£64-£115	£105-£353	£158-438	£210-£524	£229-£609

- 4.7 A new FM has also been prepared which shows the financial implication of the changes to the Bill that the Scottish Government would propose to bring forward at Stage 2, reflecting the agreement reached with COSLA and the NHS on shared accountability. This financial memorandum forecasts that the cost of implementing this revised Bill would be a maximum of £198m, which is £411m

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lower than the original Bill proposed. Appendix 1 contains the proposed breakdown of these new implementation estimates.

- 4.8 On [20 December 2023](#), the HSCS Committee Chair wrote to the Minister requesting a comparison of anticipated timelines for progressing passage of the Bill according to the following two scenarios:

- 1) *Withdrawing the current Bill and preparing and introducing a new Bill reflecting the consensus agreement on shared legal accountability;*
- 2) *Bringing forward amendments to the Bill as introduced at Stage 2 that would reflect the consensus agreement on shared legal accountability.*

- 4.9 A response was received on [10 January 2024](#) from the Minister confirming that there is no intention to withdraw the Bill and committing to work with the Committee on a timetable for Stage 2 following the Stage 1 debate.

## 5. Key Issues

- 5.1 At this stage there is still a lot of detail missing and a lack of clarity about how the Bill will progress, including whether the request for information from the Minister at 4.8 above will result in further delay to the Stage 1 debate. The HSCP NCS Executive Group is currently reviewing the information and will provide analysis/briefing as more details emerge, including the possible impact on the HSCP and IJB. There are some key issues that should be noted by members:

- Shared Accountability: There is still work to be carried out on this what it means in how this works in practice including reporting and escalation methods
- IA Reforms: a range of reforms have been outlined including in relation to proposed membership, voting rights and accountability to the National Board
- Finance and Budget: Whilst it is still intended that finance and budgets will be administered via Local Authorities, the Scottish Government has indicated that they intend to examine elements of direct funding to IAs
- Staff: It is noted that there will be no transfer of staff or assets. However, the Scottish Government has indicated that it intends to retain that functionality within the Bill and to enable IAs to directly employ Chief Officers and staff
- Timescales: The timescales for the local reform are now likely to take place in the next parliament
- Service Provision and Resources: the focus continues to be on accountability and structures with little discussion on meeting the immediate challenges facing the sector.

## 6. Recommendations

- 6.1 The Integration Joint Board is asked to:

- a) note the content of this report.

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Appendix 1: Revised Financial Memorandum costs of implementation with proposed amendments

	2022-23 £millions	2023-24 £millions	2024-25 £millions	2025-26 £millions	2026-27 £millions	2027-28 £millions	2028-29 £millions	2029-30 £millions	2030-31 £millions	2031-32 £millions
<b>Establishment and running of NCS at a national level</b>										
Scottish Administration	£13	£11-£13	£13-£18	£20-£29	£21-£31	£20-£31	£21-£31	£22-£32	£22-£34	£22-£34
<b>Establishment and running of care boards</b>										
Reformed IA's	£0	£0	£0	£0	£2-£3	£10-£14	£10-£15	£10-£15	£10-£16	£11-£16
<b>Total NCS Costs</b>	£13	£11-£13	£13-£18	£20-£29	£23-£34	£30-£45	£31-£46	£32-£47	£32-£50	£33-£50
<b>Right to Breaks from Caring</b>										
Social Care/Care Boards	£0	£0	£0	£13-£19	£27-£38	£40-£59	£55-£80	£70-£102	£86-£125	£102-£148
<b>Anne's Law</b>										
Care Inspectorate	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
<b>Total right to breaks &amp; Ann's law</b>	£0	£0	£0	£13-£19	£27-£38	£40-£59	£55-£80	£70-£102	£86-£125	£102-£148
<b>Total cost of implementing Bill</b>	£13	£11-£13	£13-£18	£33-£48	£50-£72	£70-£104	£86-126	£102-£149	£118-£175	£135-£198

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