

Meeting:	Audit and Risk Committee
Meeting Date:	18 November 2024
Publication:	Open
Council Priority:	Greener, Healthier Islington
Wards:	All
Report of:	Corporate Director of Adult Social Care

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## Subject: Health and Social Care Integration

### 1. Recommendations

#### **The Committee are asked to:**

- 1.1. To note the risk management strategy for this Principal Risk

### 2. Report summary

- 2.1 In accordance with its Terms of Reference, the Audit Committee (the Committee) is required to consider the Council's arrangements for corporate governance and risk management.
- 2.2 The Committee agreed at its meeting in June 2022 to conduct regular deep dives on individual Principal Risks. The purpose of the deep dive is for the Committee to obtain a deeper understanding of the chosen risk area, develop insight into risk controls and the action plan, and to get the opportunity to discuss the risk directly with the risk lead
- 2.3 The Principal Risk being addressed in this paper is 'Health and Social Care Integration.' This paper sets out the current position and mitigations in place following on from the report to the committee on 30<sup>th</sup> January 2023.

### 3. Details

#### **Risk Context**

- 3.1. Health and Social Care Integration is a key priority for Islington and a national government priority. The publication of the Health and Care Act 2022 set out significant change to the configuration of the health system and the local authorities' role in that system. This, alongside the fact that Integrated Care Boards (formerly known as Clinical Commissioning Groups and the NHS organisations responsible for planning health services for their local population) have had to reduce their running cost by 30% in real terms reduction by 2025-26, with at least 20% required to be delivered in 2024-25, presents a significant risk to the local authority.
- 3.2. On 1<sup>st</sup> July 2022 the North Central London (NCL) Integrated Care Board (ICB) was formalised, replacing the Clinical Commissioning Groups for the five boroughs in the NCL footprint: Islington, Camden, Barnet, Enfield and Haringey. The ICB sits within the Integrated Care System (ICS) which is a partnership of NHS, councils, and voluntary sector organisations, working together to improve health and care in Barnet, Camden, Enfield, Haringey, and Islington. It is overseen by the Integrated Care Partnership (ICP), a statutory committee that brings together a broad set of system partners (including local government, the voluntary and community sector, NHS organisations and others) to develop a health and care strategy for the area. (More detail can be found [here](#)).
- 3.3. The Islington Borough Partnership and Islington Children's and Families Board are partnership boards at place level where health, social care, voluntary and community sector and wider council partners come together to set local priorities.
- 3.4. As the Integrated Care System develops and matures across the 5 borough footprint there is a risk to funding levels in the borough and the role of the Local Authority to shape delivery for Islington residents.
- 3.5. The move to an ICS carries the risk that this broader footprint for health authorities may lend itself to a system harmonisation, which could potentially result in expansion of services to some boroughs or conversely reduction of services which are not provided in all boroughs. There is also risk that there could be an impact on the level of influence and control the Local Authority has over certain aspect of the health system that are critical to the council fulfilling its obligations.
- 3.6. Additionally, there is a financial risk for Islington because the Council has 'pooled budget' arrangements with the ICB. These pooled budget arrangements bring together ICB and council funds to pay for an agreed range of services for our residents. These arrangements for adults with disabilities and/or mental health

support needs have been in place for nearly 20 years. Pooled budgets are managed contractually through a Section 75 arrangement. Section 75 of the NHS Act 2006 allows partners (NHS bodies and councils) to contribute to a common fund which can be used to commission health or social care related services. This power allows a local authority to commission health services and NHS commissioners to commission social care. These contracts were last updated in 2016.

- 3.7. Alongside Islington's pooled budgets for adults with disabilities and/or mental health support needs, the Better Care Fund (BCF) is a national pooled budget programme that supports local systems to successfully deliver the integration of health and social care in a way that supports person-centred care, sustainability and better outcomes for people and carers. Plans are jointly developed by health and social care partners in every area in England and support integrated, person-centred care in communities. It has been in place since 2015 and currently operates on a two-year cycle, with the current cycle running until March 2025 and new submissions required for next financial year. The ICB and the council work together, with support from the London BCF team to ensure funding allocated meets the conditions set out by central government.
- 3.8. At the time of reporting to audit committee in January 2023 it was unclear whether the new arrangements might lead to the ICB serving notice on our pooled budgets in order to align ways of operating across the NCL footprint. Since reporting the ICB have indicated that they do not intend to do this. However, the ICB, like the council, needs to make significant savings and have looked at ways to reduce its contribution to the pooled budgets.
- 3.9. Until April 2024 the Live Well commissioning team for adults with mental health support needs and/or disabilities and the Start Well commissioning team for children and young people with social, emotional and mental health support needs were also jointly funded by the ICB. This meant commissioning activity was carried out on behalf of both organisations. Commissioners sat within council structures but also reported to the ICB.
- 3.10. In April 2024, as part of a wider change programme to meet the challenge of the 30% reduction in running costs, better align structures to respond to being an organisation delivering on a wider footprint, and to streamline functions, the ICB removed funding for the joint commissioning roles. This means commissioning across the organisations has now moved from a joint to an aligned model

## 4. Other options considered and the reasons for recommending this proposal

4.1. Not applicable

## 5. Key impacts and risks of the proposal

5.1 A number of mitigations are in place to ensure that the council and the NCL ICB continue to work together to develop and support integration of health and social care services at a local level and they are outlined here. Thus far the risks have been well managed despite the changes in the ICB and the risk remains stable.

5.2 There are several mechanisms by which the council retains oversight and decision making around health and social care integration:

- The Health and Wellbeing Board, chaired by the leader of the Council, is responsible for agreeing Better Care Fund plans and the ICB and council officers jointly report on progress and activity to the Board.
- The Leader of the Council, Chief Executive and Director of Adult Social Services sit on the Integrated Care Partnership at North Central London level to ensure that the voice of Islington is heard and respected.
- Islington Borough Partnership, (Co-chaired by the Director of Adult Social Services and the Chief Executive of the Islington GP Federation), and the Children and Families Board (Co-chaired by the Director of Children Services and the ICB Director of Place) are places where partners from across the council, ICB, NHS Providers, and voluntary sector come together to set local priorities and establish ways we can work better together for a more integrated system.
- The council's early help and prevention work (originally part of the Fairer Together Board) is now part of Islington's Borough Partnership, strengthening the role of the broader system to deliver integrated services that prevent, reduce and delay the need for health and care services.
- A quarterly Director level monitoring meeting between the council and the ICB is in place and provides joint governance and oversight of all the activity within the Section 75 pooled budgets to ensure the arrangements continue to meet both organisations' objectives.
- The Health and Wellbeing Board retain oversight of section 75 arrangements through an annual report.
- The council are developing strategies with our partners such as the Islington Carers Strategy and the Islington Dementia Strategy. These support the delivery of integrated care services and are overseen by the Islington Borough Partnership.

- 5.3 The Islington's Borough Partnership delivery plan, signed up to by the council, NHS, Public Health and Voluntary Sector, and aligned to Islington's 2030 Plan, is designed to enable and strengthen, improved joined up and integrated working, delivery & impact for residents in Islington. It's shared purpose, informed by our Health & Wellbeing Strategy, is to prevent crisis, connect people to their communities, intervene earlier and deliver support away from complex services, enabling people to live healthy, long and fulfilling lives. As a result, we are implementing an integrated health & care front door and rapid access service and are in the design stages of multi-disciplinary health & care locality teams, which will align with our newly commissioned home care service and the wider council's & community early help offers.
- 5.4 In terms of the impact on commissioning to the council, some teams (Start and Live Well) have reduced in size as a result of the withdrawal of the ICB funding. However, the impact of this was mitigated, with some additional funding allocated from the adults and children's budgets, by making efficiencies elsewhere in the departments. We are also in the process of handing back health specific commissioning to the ICB.
- 5.5 Locally, the ICB have created Borough Integration Units (BIU) with a small team delivering at a borough level. They also have dedicated Start, Live and Age Well members of staff allocated to working in each borough. These posts have only recently been filled, with the Assistant Director of the Islington BIU starting in July 2024. Since the posts were filled council and ICB teams have met to start to develop a shared workplan that enables us to work together to deliver integrated services, supporting both organisations meet their strategic objectives and the objectives of the Islington Borough Partnership and the Children and Families Board.
- 5.6 The council commissioned and completed a review to map all the section 75 arrangements to ensure that there is a comprehensive understanding of what is contained within them given that they were last updated in 2016. When the ICB change programme is fully embedded this information will allow us to update governance arrangements effectively and ensure that both organisations have comprehensive oversight of all activity.
- 5.7 The council is working jointly with the ICB to deliver savings where possible but has also used its contractual levers to prevent the withdrawal of funds where this will significantly impact on the delivery of services to our residents. These have been successfully applied and there has been no significant funding withdrawal.
- 5.8 The risk level will be reviewed and it may be possible to reduce it once the ICB change programme has embedded and the new commissioning workplans are in place. This is planned to be completed towards the end of the 2024 calendar year

## 6. Contribution to the Islington Together 2030 Plan

- 6.1. The management of this risk contributes to the objectives in the Islington Together 2030 Plan. Health and social care integration is integral to ensuring that Islington residents are enabled to live healthy, independent and fulfilling lives. To achieve this it is vital that we work with our health and voluntary sector partners across the system to develop integrated services, that are focused on early intervention and prevention, and ensure seamless services that support people to address their needs holistically. The mitigations that are in place to manage this risk support this partnership working and drive the activity to achieve the council's greener, healthier mission.

## 7. Consultation and community engagement

- 7.1. Community engagement and coproduction is at the heart of delivering adult social care and children's services. The adult social care coproduced I Statements set the direction for developing integrated care services. All our strategies are co-produced with Islington residents and our partners. Commissioning activity has residents involved at every stage to ensure the voice of the resident throughout the design, commissioning and monitoring of services.

## 8. Implications

### 8.1. Financial Implications

- 8.1.1. This report sets out the risk management strategy associated with Health and Social Care integration.
- 8.1.2. There are no financial implications arising from this report. The programme of work has been met from within the existing risk management budget. The financial implications of individual risks will be met by local budgets.
- 8.1.3. Currently there is £116m of funds in pooled budgets managed through a Section 75 agreement with the Integrated Care Board (ICB). The contributions to this Section 75 arrangement are shown in Table 1.

Table 1: Contributions from different organisations to the Section 75 arrangement.

Organisation	Amount £'m	% Contribution
Islington Council	74.37	64%
Integrated Care Board	40.79	35%
Whittington Health	0.53	0%

<b>Gross Expenditure</b>	<b>115.69</b>	<b>100%</b>
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8.1.4. Table 2 sets out the different elements of this agreement with the contributions from each partner.

Table 2: Breakdown of the Section 75 agreement with the Integrated Care Board.

<b>Section 75 agreement</b>	<b>2024/25 Gross Budget £'m</b>	<b>2024/25 Islington Council Contribution £'m</b>	<b>2024/25 Integrated Care Board Contribution £'m</b>	<b>2024/25 Whittington Health Contribution £'m</b>
Learning Disabilities	50.07	42.92	7.15	
Transforming Care	0.99	0.23	0.76	
Mental Health Commissioning	8.34	4.34	4.01	
Carers Pooled Fund	0.91	0.82	0.10	
Mental Health Care of Older People (MHCOP)	9.19	5.35	3.84	
ICES (Integrated Community Equipment)	1.77	0.71	0.53	0.53
Better Care Fund	44.41	20.01	24.41	
<b>Gross Expenditure</b>	<b>115.69</b>	<b>74.37</b>	<b>40.79</b>	<b>0.53</b>

## 8.2. Legal Implications

8.2.1. Section 75 agreements (referred to as the 'Agreements') are governed by Section 75 of the NHS Act 2006 (as amended by Health and Care Act 2022 ) and the regulations governed under that section, NHS Bodies and Local Authorities Partnership Arrangements Regulations 2000. Local authorities have a duty to have regard to or follow statutory guidance issued by the Secretary of State (in particular under NHS Act 2006, s73B and Care Act 2014, s78. Section 73B was amended by Health and Care Act 2022 to include any arrangements with any body under s75.

8.2.2. The Agreements must ensure that they clearly specify the authorities/delegations for decisions making and arrangements for governance and should ensure that each organisation is able to track their legal duties through the arrangement to ensure that they will be fulfilled. The Agreements should be reviewed by the relevant legal team of the legal department.

8.2.3. If the changes to the Agreement results in any material changes to the types or levels of service provided, the way in which the services are provided or the identity of the provider, the local authority will have a legal duty to consult with public / service users and providers taking account of their views in the formative stage before a decision is made. In addition to the above, the local authority must ensure it's compliance with the public sector equality duty (s.149 of the Equality Act 2010 (EqA 2010)) so impact can be considered for those who are protected by the Act.

8.2.4. The local authority needs to consider the impact of the commissioning process of the best value requirements in s 3 Local Government Act 1999 to ensure that the local authority is making the best use of the available funds.

### 8.3. **Climate Change and Environmental Implications**

8.3.1. There are minimal environmental implications associated with this risk, although the delivery of the services themselves will have a wide range of environmental implications that should and will be considered within individual procurement activity.

8.3.2. As a commissioning team we will work with our providers to ensure they deliver care in the most sustainable way possible, for example using technical solutions that limit environmental impact such as increased use of Assistive Technology.

8.3.3. We will also ensure that contracts clearly set out environmental sustainability and practice that promotes this. We will encourage adherence to climate sustainability strategies that are appropriate for the type of service being commissioned, for example the Islington Net Zero Carbon Strategy or relevant sustainability strategies set out by regulators or professional bodies.

8.3.4. The council has a strong ASC contract management function that will be able to monitor progress against agreed KPI's.

8.3.5. By taking an early intervention and prevention, strengths based approach we will prevent, reduce and delay the number of residents who require formal support. This should reduce the number of services required and so reduce their environmental impact.

### 8.4. **Equalities Impact Assessment**

8.4.1. The council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take



account of disabled persons' disabilities, and encourage people to participate in public life. The council must have due regard to the need to tackle prejudice and promote understanding.

- 8.4.2. An Equalities Impact Assessment Screening was completed and a full Equalities Impact Assessment is not required in relation to this report because ASC carry out EQIA screening tools and full EQIA's for each individual piece of work within the commissioning space.

## 9. Timetable for implementation

- 9.1. Not applicable – this is an ongoing piece of work

### **Appendices:**

Not applicable

### **Relevant decisions / reports:**

Not applicable

### **Background papers:**

Not applicable

### **Report approval:**

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