

North Yorkshire Council

Executive

17 December 2024

‘Ambitious for Health’ – a new approach to transforming health and care in North Yorkshire through an NHS/North Yorkshire Council Joint Committee and Section 75 agreement

1.0 PURPOSE OF REPORT

- 1.1 This paper outlines proposals for a bespoke and far-reaching delegation arrangement between North Yorkshire Council (NYC) and Humber and North Yorkshire (HNY) Integrated Care Board (ICB). The proposal includes establishing a North Yorkshire Health Collaborative and supporting governance to enable the delivery of a single programme as described in the attached paper, *‘Ambitious for Health’ – a new approach to transforming health and care in North Yorkshire*.

2.0 SUMMARY

- 2.1 The legislation which placed NHS Integrated Care Boards (ICBs) on a statutory footing set out arrangements for ICBs to establish Joint Committees between themselves and local authorities. Humber and North Yorkshire ICB which plans, funds and provides NHS services to 90% of the population of North Yorkshire has approached North Yorkshire Council (NYC) to set up a Joint Committee for North Yorkshire and to devolve funding to these new arrangements. This report sets out the proposed work programme for doing so and the technical arrangements which will be required to underpin these proposals.
- 2.2 The North Yorkshire Place (NYP) Board, chaired by the Council’s Chief Executive and involving NHS Chief Executives and senior leaders from Primary Care, the Voluntary Sector and the wider Council, has supported the principle of strengthening the partnerships between the NHS and NYC between health and local authorities through the proposal to create a ‘North Yorkshire Health Collaborative’ (NYHC). Built from the existing system partners, NYHC would look to offer unified leadership to tackle key health and social care issues across North Yorkshire and a deliver a single programme as outlined in *‘Ambitious for Health’ – a new approach to transforming health and care in North Yorkshire*.
- 2.3 NYHC will facilitate further opportunities to enhance and develop integrated approaches, collectively understand how resources across the system are most effectively deployed and explore further joint commissioning and delivery models.
- 2.4 On this basis, NHS leaders have sought approval in principle from the ICB to establish a joint committee and a supporting Section 75 agreement with NYC from 1 April 2025. The same approval is now requested from the Council’s Executive.
- 2.5 Subject to in principle approval, these proposals will proceed through ICB and local authority governance to make a formal decision on the final arrangements in March 2025. A 28-day public consultation on a draft section 75 agreement may be required pending final approvals.

3.0 BACKGROUND

- 3.1 Over the summer in 2024, the North Yorkshire Place Board (NHS and NYC partners) considered future arrangements to support integrated services for North Yorkshire and the potential for Place delegation. The initial focus, based on ICB discussions, was around the potential opportunities of a joint committee and a single Section 75 agreement.
- 3.2 Interviews with the chief executive leads of each organisation on the Place Board were undertaken in August and September to gauge the views and appetite for such arrangements. There has been positive feedback from Board members and support for new governance arrangements in Place to use as a vehicle to transform services across community and neighbourhood health.
- 3.3 The proposal to establish a NYHC, including a new Section 75 agreement and a formal joint committee was supported by the North Yorkshire Place Board on 27 November 2024. The support and agreement for partners to co-produce a detailed implementation programme is subject to approval from the HNY ICB and the NYC Executive.
- 3.4 The proposal has been presented at the HNY ICB on 11th December 2024.
- 3.5 Discussions are also taking place with representatives from West Yorkshire ICB and Lancashire and South Cumbria ICB which serve people in the west of the County – they have been invited to be part of NYHC.

4.0 ASSESSMENT

- 4.1 Given the scale and complexity of North Yorkshire, the proposal sets out a multi-year evolution based around a core work programme; system performance and improvement; and identifying opportunities to develop healthy places. It also opens up transparency around NHS and Council investment and moves towards single approaches to management capacity and leadership.
- 4.2 Key highlights of the proposal are as follows:
1. **New Approach for Health and Care:** The NYHC proposes a joint committee between local government and the ICB to transform health and care delivery in North Yorkshire through a far-reaching delegation arrangement.
 2. **Minimum Organisational Change:** The proposal aims to minimise organisational change, avoiding the creation of new organisations or complex governance agreements, and instead strengthening existing arrangements.
 3. **Resources:** NYHC would potentially oversee or inform the use of £850m of NHHYCS and local government resources on a 'pooled' or 'aligned' basis. The arrangements apply primarily to the adult population and the proposal states that further work will need to be undertaken with the existing multi-agency children's and young people's partnerships to explore the opportunities for children. However, it is proposed that the Public Health funded 0-19 services will be included within the joint committee arrangements.
 4. **Financial and Quality Benefits:** The NYHC will align ICB and Council funding, establish a single pooled budget, and provide financial and quality benefits through joint working, improved risk management, and better care closer to home.

5. **Evolutionary approach:** The plan includes a multi-year evolution with transparency around the investment of £850m of NHS and Council resources.
6. **Phased Implementation:** The implementation will occur in three phases from now to beyond April 2026, establishing shared capacity and leadership between NYC and the ICB Place team, with the final phase potentially leading to single leadership models for both the planning and commissioning of services and for the shared approach to neighbourhood/community health services.

4.3 To deliver this change, there are a number of asks of the participating organisations:

Ask	Why?	What?
Develop a consortium approach to Neighbourhood Health	<p>There are five community health providers operating in North Yorkshire, with different service models and levels of funding. These services are key to:</p> <ol style="list-style-type: none"> 1) developing intermediate care 2) preventing unnecessary hospital and 24/7 care activity 3) integrating pathways with social care 	<p>By 2026, we will implement a shared leadership delivering a consistent universal offer across North Yorkshire across at least four of the five NHSFTs providing community health services in North Yorkshire. This approach would not require a new organisation to be established or staff to be subject to TUPE, but it would require a partnership agreement between the NHSFTs and NYHC.</p> <p>This would enable a stronger voice and critical mass for neighbourhood health across North Yorkshire and York.</p>
Devolve decision-making around estates and land use to NYHC	<p>To make the most of Council and NHS-owned land and to align the North Yorkshire Local Plan and NHS infrastructure plans, including scope for new service locations; better joined-up responses to housing growth; and potential to explore issues such using NHS-led developments to support market town development and developing keyworker housing.</p>	<p>Delegation/alignment of central NHS decision-making powers to the ICB/ NYHC.</p> <p>Development of a shared approach to land use, estates and regeneration opportunities across NYC and the NHS.</p>
Transformation capacity using sufficient NHS Place and HAS leadership capacity	<p>To ensure effective establishment of NYHC and the Joint Committee and the development and delivery of key work priorities.</p>	<p>Identification of dedicated transformation and organisational development (OD) resource from both NYC and the NHS.</p>

Ask	Why?	What?
		<p>Part of this capacity could come from the existing NHS Place team but there would probably be a need for additional earmarked resource from NYC.</p> <p>In developing a new model for neighbourhood health services, there would need to be a commitment from the ICB and NHSFTs to identify/fund specific transformation, OD and programme management capacity, as well as Finance and HR leads.</p>
<p>Align NYC and ICB approaches to market development, VCSE investment, care fee setting and Continuing Health Care and Section 117 funding</p>	<p>Inconsistency of approaches and investment levels.</p> <p>Need to improve CHC/care package assessment and transactional work.</p> <p>Need to develop a longer-term approach to commissioning new models of care for people with complex needs.</p>	<p>Create a level playing field for care sector and voluntary sector investment and a single “front door” for these sectors to work with NYC and the NHS.</p> <p>Focus on single approach to CHC assessments and decision-making.</p>

4.4 If approval is given, the indicative timeline of implementation would be:

1. Phase 1 (Now to April 2025):

- Establish shared capacity and leadership between NYC and the ICB Place team.
- Develop the joint committee governance and the new Section 75 agreement.
- Begin the transition of the North Yorkshire Place Board to the NYHC joint committee.
- Develop a detailed programme and identify resources across board member organisations to support implementation, including an approach to OD.

2. Phase 2 (April 2025 to April 2026):

- Establish the joint committee and review the Health and Wellbeing Board.
- Implement the new Section 75 agreement to align ICB and Council funding, promoting shared leadership and service development.
- Continue to develop and implement the agreed work programme.
- Agree a single service specification and operating model for neighbourhood/ community health services.
- Explore opportunities for further joint working between the NHS and Council around children and young people’s services

3. Phase 3 (Beyond April 2026):

- Potentially lead to a single leadership model for the NYHC and for neighbourhood/ community health services.
- Focus on further integration and joint decision-making to maximize the benefits of the collaborative approach.
- Continue to monitor and evaluate the impact of the NYHC on health and care services in North Yorkshire.

5.0 IMPLICATIONS

5.1 Finance

The Section 75 agreements will align ICB and Council funding to promote shared leadership and service development and improvement, and to enable integration and joint decision making. It will also establish a single pooled budget which will start by bringing together the nationally-pooled Better Care Fund, existing delegated 0-19 and sexual health services and some other areas of spend. The indicative proposals indicate that NYHC will have an overview of/ability to influence up to £850m of aligned expenditure. However, formal pooling of budgets will be limited as set out above and each organisation will retain the ability to make its own allocation and expenditure decisions as per current arrangements.

5.2 Quality

There are quality benefits from joint working across the NHS, Public Health and Adult Social Care, which include a stronger focus on prevention and community services; a more integrated approach to care market development and improvement; and better risk management and quality of personal experience for example by having reduced transfer of care delays. The proposed approach opens up a more comprehensive approach to prevention and the shift towards stronger neighbourhood health and social care services.

Place delegation and the establishment of a joint committee **does not** take away from organisational responsibilities and accountabilities for statutory duties. This will be stated in a Section 75 formal agreement.

5.3 Human Resources

The NYHC operating model will be anchored in existing organisational structures, but the leadership of both organisations (the Council and the ICB) party to the Section 75 will work with Human Resources colleagues as part of the due diligence process to ensure that any workforce implications have been identified and addressed.

The joint committee and Section 75 arrangement could support consideration of joint posts, which will require any future workforce implications to be assessed on a case-by-case basis.

It is anticipated that a joint approach to organisational development will support successful implementation of the NYHC across all three phases.

5.4 Legal/Regulatory

The Section 75 is a legal agreement that will be entered into by the ICB(s) and North Yorkshire Council. Where required, it will govern how the two parties will work together on integrated commissioning and delivery, aligning and/or pooling of resources and decision

making to maximise the opportunities afforded by place-based health and care partnerships.

This proposal aligns with the HNY Strategic Framework for Places.

Although the formal Joint Committee arrangements relate, in legislation, to the ICB(s) and the Council, the intention is that key existing Place Board partners will continue to play an active role in leading the North Yorkshire Health Collaborative. In due course, additional arrangements will be outlined in relation to those services (0-19 and sexual health) which are already delegated by Section 75 agreements from the Council to Harrogate District and York/Scarborough NHSFTs respectively and the other relevant Section 75 agreements that exist within North Yorkshire (including Better Care Fund and Harrogate and Rural Alliance).

5.5 Data Protection/Information Governance

The proposal for a Section 75 agreement and joint committee supports the existing Data protection and Information Governance arrangements in place.

However, any future arrangements to align or integrate services and/or teams will need to be assessed for data protection and information governance on a case-by-case basis.

5.6 Health Inequality/Equality

Partners across the NHS and NYC work together to reduce social and health inequalities and support the integration of services. They harness the collective leadership to lever the totality of resources that will address wider determinants of health.

The ICB and local authorities will align and pool resources as appropriate to promote prevention and use targeted approaches to working with communities to have the greatest positive impact over time on the population's health.

5.7 Conflicts of Interest Aspects

Arrangements for Joint Committees will ensure that Conflicts of Interest are managed – the ICB's and Council's legal and governance teams are supporting this work. Joint Committees will operate as partnership boards with providers represented so differing roles (voting and participant members) will be required.

5.8 Sustainability

Jointly planning health and care services will reduce the administration and management burden within providers and maximise resources and impact.

Sharing responsibilities and resources will enable decisions to be taken locally that strengthen early intervention, prevention, and community services to preserve limited hospital/specialist treatment capacity for those who need it.

6.0 ASSESSED RISK

NYC and HNY ICB intend to seek independent legal and commercial advice and support as part of their due diligence where required and will be, overseen and co-ordinated by the ICB's legal function. This will ensure the Section 75 agreement is robust, sustainable, balanced, compliant and focused on the achievement of the long-term goals. It is anticipated that, in line with previous Section 75 agreements, it is likely that this new agreement will require a 28-day public consultation.

Part of the role of the proposed governance arrangements is to understand any new operational arrangements and mitigate risks relating to a deterioration in finance, performance, and the quality of services.

Where appropriate, in relation to existing section 75 arrangements for 0-19 and sexual health services, the respective NHSFTs will be involved in these considerations.

7.0 MONITORING AND ASSURANCE

The development of the partnership arrangements has been overseen by the ICB Executive Director for Strategy and the ICB Executive Director for Corporate Affairs and the Council's Corporate Directors for Health & Adult Services and Resources and the Assistant Chief Executive – Legal & Democratic Services.

The ICB/Local Government place framework includes a requirement for an annual report for each place to be produced and a joint audit between the ICB and Local Authority to provide the respective organisations with assurance of the arrangements.

In addition, place partnerships will provide regular reports to the ICB and the Council.

8.0 ENGAGEMENT

The development work is being undertaken in partnership with HNY ICB and North Yorkshire Council, with the support of the health and care providers and the VCSE as stakeholder partners. Further work needs to be undertaken with West Yorkshire and Lancashire/South Cumbria ICBs to align with their place development proposals, so that there is clear alignment for communities in the west of the County served by those two ICBs.

The creation of a Joint Committee is intended to improve services and experience of care and support in each area, and both these outcomes require co-design and engagement with our communities. This already happens as part of the ongoing dialogue between statutory, VCSE, care sector and people's voice representatives (for example, HealthWatch).

The specific matters in this paper have not yet been subject to public engagement, as they predominantly reflect the changes in our NHS and local government commissioning architecture. It is anticipated that, in line with previous s75 agreements, it is likely that this new agreement will require a 28 day public consultation, Engagement with the public on the benefits of integration between the NHS and social care more broadly has already taken place through the development of the Humber and North Yorkshire Health and Care Partnership Strategy and will continue through Humber and North Yorkshire engagement on the future of our NHS and wider health and care system.

Places also intend for community engagement and co-production of their local integration journey to happen extensively through local health and care partnership structures, on behalf of joint committees. This will include involvement of VCSE, Healthwatch, and elected members, as well as health and care provider leads.

9.0 NEXT STEPS

- 9.1 North Yorkshire Place to agree and finalise the scope of services and associated funding to be included in the S75 agreements.

- 9.2 North Yorkshire Place partnership to work with the ICB towards agreeing delegations of health funding to a joint committee from April 2025.
- 9.3 Final proposals to be considered through respective decision-making bodies (ICB board and NYC's Executive) in Quarter 4 of 2024/25, likely to be in February or March 2025.
- 9.4 North Yorkshire NHS and NYC partners to develop supporting partnership agreements or heads of terms to support the s.75 agreement and the role of the wider place partnership (i.e. including partners that are not party to the s.75 agreements).

10.0 RECOMMENDATIONS

Executive is asked to:

- i) Note the commitment from the North Yorkshire Place Board on 27th November to transform the community and neighbourhood health and social care model in North Yorkshire.
- ii) Approve the proposal in principle to establish a formal partnership in the form of a joint committee between HNY ICB (and the 2 other ICBs, subject to agreement) and North Yorkshire Council.
- iii) Note the intention to have a new Section 75 agreement in place, which in some cases will replace and subsume current Section 75 agreements, subject to any public consultation as may be required legally.
- iv) Note that final proposals will proceed through governance arrangements for formal decision making including ICB board and Executive approval.

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Attached: Appendix A – 'Ambitious for Health' – A New Approach to Transforming Health and Care in North Yorkshire