NHS Highland

Meeting:	**Board Meeting**
Meeting date:	**29th September**
Title:	**Model of Integration Review Update**
Responsible Executive/Non-Executive:	**Gareth Adkins, Director of People and Culture**
Report Author:	**Gareth Adkins, Director of People and Culture**

Report Recommendation

Board Members are asked to:

- Approve the proposal for the model of integration review to be paused including directly associated staff engagement activities through online and face to face staff engagement.
- Note that NHSH will support the engagement events in relation to the Highland Outcomes Improvement Plan (HOIP) as partners within the Community Planning Partnership
- Approve proposal for NHSH Staff Communications to be issued confirming a pause of the review and associated staff engagement whilst highlighting that we will communicate further the opportunities for staff to be consulted as outlined in the NHS Staff FAQs as further details emerge.

1 Purpose

This is presented to the Board for:

- Decision

This report relates to:

- Emerging issue
- Government policy/directive

This report will align to the following NHSScotland quality ambition(s):

- Safe
- Effective

- Person Centred
-

2 Report summary

2.1 Situation

This reports sets out the recent and emerging context of the Scottish Government's Programme For Government (PfG) announced in the Scottish Parliament on 1st September 2026 and its implications for the review of the model of health and social care integration that has been underway in the Highland Council area part of NHS Highland.

The Highland Council (THC) and NHS Highland (NHSH) have met through the joint chief executives forum to discuss the implications on this jointly commissioned piece of work between the two organisations. This has included consideration of the timing of organisational decisions required by councillors and board members in terms of THC full council meeting on 17th September and NHSH Board meeting on 29th September.

The key point for board members to discuss is a joint proposal to be put to THC and NHSH to pause the model of integration review pending further clarity emerging about future health and social care integration arrangements and wider consultation and engagement on NHS reform.

2.2 Background

The Scottish Government published its Programme for Government on 1 September 2026, setting out four key priorities: eradicating child poverty, growing the economy, tackling the climate emergency, and delivering a stronger NHS and public services. While the Programme has implications across all areas of public service delivery, the most immediate relevance for NHS Highland relates to proposals for NHS and wider public sector reform.

The Programme signals potentially significant change, including the proposed replacement of Scotland's 14 territorial Health Boards with two Strategic Health Boards, alongside further consideration of future arrangements for social care, local governance and regional public service delivery. The detail, timescales and practical implications remain unclear, with further engagement expected between Scottish Government, local government, NHS bodies and other partners over the coming months.

The Programme for Government has potentially significant implications for Highland Council, particularly in relation to local governance, social care, education and wider public service reform. While no formal proposals for local

government boundary changes have been published, the Scottish Government has signalled a three-month dialogue on future governance arrangements, regional collaboration and community-level decision-making.

For NHS Highland and THC, the areas of reform being considered are particularly relevant because of the existing Lead Agency models for adult social care and children's services including child health in Highland and the ongoing Models of Integration Review.

NHS Staff FAQs were issued on 10th September and confirm that the Scottish Government intends to develop detailed proposals and a business case for future NHS and social care arrangements, with engagement central to that process. NHS Boards, staff, trade unions, professional bodies, local government, Integration Authorities, social care partners, patients and the public are expected to be involved in shaping future arrangements. At this stage, however, the FAQs do not set out detailed arrangements, timescales or local mechanisms for staff engagement, including how the views of NHS Highland and Highland Council staff working within the Lead Agency model will be captured. Further clarity is therefore required from Scottish Government on the consultation process, leadership arrangements and the role of NHS Boards in supporting staff engagement.

2.3 Assessment

Appendix 1 includes the NHS Staff Frequently Asked Questions and a letter from Interim Chief Executive of NHS Scotland & Director General for Health and Social Care. A key point from the FAQs is the following in relation to engagement and consultation:

"Engagement will be central to developing the detailed proposals and business case. We will work closely with NHS Boards, staff, trade unions, professional bodies, local government, Integration Authorities, social care partners, patients and the public to help shape future arrangements."

In this context there are no explicit details on the arrangements for engaging staff on emerging proposals including notably, for NHS Highland, the future of social care. It is anticipated further details will emerge on the arrangements for engaging stakeholders including staff, who will lead this work and the role NHS Boards will play in facilitating engagement.

We recognise that in the context of the current Lead Agency model there are staff involved in delivering health and social care in the Highland Area that are employed in the THC and NHSH. We will seek further clarity from Scottish

Government on how their views will be incorporated into the wider consultation and engagement referred to the FAQs on the future of the NHS and social care.

Given the timescales for further consultation between Scottish Government and councils as well as the need for further consultation on NHS reform, the Chief Executives of THC and NHSH are jointly proposing that the model of integration review is paused.

Appendix 2 includes the paper that has been presented to THC full council outlining their proposal to note the progress to date with the review of the model of integration and approve pausing the review pending further clarity emerging about future health and social care integration arrangements.

In addition THC notes that the CPP will utilise the planned engagement events to consult stakeholders on the Highland Outcome Improvement Plan (HOIP). These events will also provide an opportunity to seek views about the Programme For Government which could be fed back as part of the Council's engagement with the Scottish Government's three-month consultation exercise.

Appendix 3 includes the update report on the models for integration review for the purposes of noting progress to date.

Taking the current context in account it is recommended that board members:

- Approve the proposal for the model of integration review to be paused including directly associated staff engagement activities through online and face to face staff engagement.
- Note that NHSH will support the engagement events in relation to the Highland Outcomes Improvement Plan (HOIP) as partners within the Community Planning Partnership
- Approve proposal for NHSH Staff Communications to be issued confirming a pause of the review and associated staff engagement whilst highlighting that we will communicate further the opportunities for staff to be consulted as outlined in the NHS Staff FAQs as further details emerge.

2.3.1 Quality/ Patient Care

The models of integration review was considering how different options would contribute to improved outcomes for people using services. This will remain an important area to consider as details of wider public sector reform emerge.

2.3.2 Workforce

Pausing the model of integration review will allow for broader consideration of workforce impacts of public sector reform and as indicated Scottish Government is committed to working in partnership to consult on emerging proposals.

2.3.3 Financial

The wider public sector and NHS reform will be underpinned by a business case to consider financial implications

2.3.4 Risk Assessment/Management

Key risks have been articulated in previous papers and within the attached appendices and relate mainly to potential disruption and impacts on staff engagement as the future of services and health boards are explored over the coming months.

2.3.5 Equality and Diversity, including health inequalities

Impact assessments will be required as further details emerge and are noted within the NHS Staff FAQs

2.3.6 Other impacts

N/A

2.3.7 Communication, involvement, engagement and consultation

Details of the governance arrangements and consultation completed to date in relation to the review are detailed in the update in appendix 3.

As noted within the paper, further details will be needed on the approach to consultation and engagement at a national, regional and local level.

2.3.8 Route to the Meeting

N/A

2.4 Proposed level of Assurance

This report proposes the following level of assurance:

Substantial		Moderate	
Limited		None	X

Comment on the level of assurance

For decision

2.5 Recommendation

Taking the current context in account it is recommended that board members:

- Approve the proposal for the model of integration review to be paused including directly associated staff engagement activities through online and face to face staff engagement.
- Note that NHSH will support the council led engagement events in relation to the Highland Outcomes Improvement Plan (HOIP) as partners within the Community Planning Partnership
- Approve proposal for NHSH Staff Communications to be issued confirming a pause of the review and associated staff engagement whilst highlighting that we will communicate further the opportunities for staff to be consulted as outlined in the NHS Staff FAQs as further details emerge.

3 List of appendices

The following appendices are included with this report:

- Appendix 1 – NHS Staff FAQs and Interim DG/CEO Letter
- Appendix 2 – Programme for Government - Public Sector Reform (including Models of Integration Phase 2 Review Update)
- Appendix 3 - Update Report on Models of Integration progress

Interim Chief Executive of NHS Scotland & Director General for Health and Social Care

Christine McLaughlin

E: dghsc@gov.scot

Scottish Government
Riaghaltas na h-Alba

10 September 2026

Dear colleagues,

Last week the Scottish Government published its Programme for Government, setting out priorities for improving health and social care services and ensuring they are sustainable, responsive and effective for future generations.

You will have already heard about the intention to move from the current 14 territorial NHS Boards to two strategic territorial Boards, covering the east and west of Scotland, as well as simplifying the special board structure. I know many of you will have questions about this and how it impacts you and your work.

This modernisation is ultimately about ensuring that we can support you to provide the best possible care to the patients of NHS Scotland. It will mean you and your colleagues can plan and deliver services more dynamically and in different ways that the current structure is not set up for. We can share resources across boundaries and cut out the duplication across the system we have all seen happen in the past. It will build on the important work that boards have already been doing via sub-national planning structures.

For patients, this will mean less variation in how and where services are delivered, access to a single waiting list for each specialty and faster access to the most appropriate team or service, rather than care being determined by smaller organisational or geographic boundaries. For staff, we are keen this leads to clearer pathways, a ‘Once for Scotland’ approach to reward and recognition, and greater opportunities to collaborate, train and work across a connected NHS Scotland.

These changes will take time and will be designed carefully with you, the workforce, and trade unions. There will be no immediate change to individual staff roles, and for most NHS staff the principal change will be the transfer of employment from your current Board to one of the new NHS Boards.

As the Cabinet Secretary for Health and Care set out in her letter to trade unions on 3 September, we will work with trade unions as key delivery partners at every stage of this

ambitious and transformative journey. Together, we will work to create a system that fully values our workforce and helps people stay healthy, independent and connected to their communities for as long as possible. This is alongside ensuring access to high-quality treatment, care and support when it is needed.

The First Minister has also reaffirmed our commitment to the principles of Fair Work as well as committing to our policy on no compulsory redundancies. I hope this will provide reassurance to you.

The aim is not to create fewer organisations for its own sake. It is to provide fairer access to consistent, high-quality services in a more joined-up NHS that gives staff better tools and support, reduces unnecessary barriers and enables teams to focus more of their time and expertise on patient care.

I want to ensure we work closely together to improve our NHS, making it sustainable for future generations and making it a better place for you to work. I look forward to hearing from you.

Yours sincerely

Christine McLaughlin

Interim Chief Executive of NHS Scotland & Director General for Health and Social Care

NHS Public Service Reform
Staff Q&A

10 September 2026

The following questions have been collated from staff across NHS Scotland following the Programme for Government announcement. They represent the most common themes emerging from staff engagement and reflect areas where colleagues are seeking greater clarity and reassurance.

Important note: this information applies to staff of the special boards as well as the territorial boards regarding pay, conditions, no compulsory redundancies, approach. For the purposes of overall design and intent they are all covered by the exact same principles.

1. Timescales and Decision-Making

1. What are the expected timescales for consultation, decision-making and implementation of the proposed reforms?
2. Will the reforms be introduced in phases and, if so, what are the key milestones staff should expect over the coming months and years?
3. At what point will staff begin to see practical changes arising from the Programme for Government announcement?
4. When will decisions be made regarding the future structure of NHS Scotland and the move to two Strategic Health Boards?

Answer

The Scottish Government will engage first and foremost with the workforce. One of the first steps the Health Secretary will take is to set out and agree a process with trade unions to ensure the workforce is able to help to shape these plans. Our work must begin from a starting point of improving services and removing the current barriers to improving patient care, not on a spreadsheet of numbers.

We are currently in the design phase of the work, which includes developing the business case. A more detailed transition and implementation timeline will be communicated in due course.

The work will be developed in partnership with staff, staff representatives, trade unions, stakeholders and the public, with a strong focus on the needs of rural and island communities. Robust local, regional and national governance arrangements will be established to support both the transition and the longer-term model.

We will ensure detailed impact assessments will be undertaken as part of the programme's next phase. Equality, fairness and reducing health inequalities will be fundamental considerations in the design of the reforms.

The intention is that structural reform will align organisational arrangements with the way many services, staff and patients are already working across East and West Scotland, as a result of the sub-national planning structures.

2. Workforce Impact and Job Security

NHS Public Service Reform
Staff Q&A

10 September 2026

1. What impact is the proposed move from 14 territorial Health Boards to two Strategic Health Boards expected to have on NHS staffing levels?
2. Can staff be assured that there will be no compulsory redundancies as a result of these reforms?
3. Is the Scottish Government considering voluntary severance or voluntary redundancy schemes and, if so, what principles would apply?
4. What organisational change protections will be available to staff whose roles may be affected?
5. How will redeployment arrangements operate if roles or functions change?
6. What will the impact be on staff with skilled working visas?
7. Can Government provide greater clarity on its wider workforce plans, including whether reductions in management, administrative or support posts are anticipated?

Answer
For NHS staff the principal change will, in due course, be the transfer of their employment from their current Board to one of the new NHS Boards. Staff in NHS Scotland continue to receive the best reward package in the UK, and pay, terms and conditions will remain the same, all underpinned by the Scottish Government's Fair Work principles.

Any future workforce changes will be done in full partnership with NHS Trade Unions in a structured and managed way, in line with existing NHS HR policies.

This work will be done *with* the workforce, not *to* the workforce. The Scottish Government will uphold our Fair Work principles that have been in place since 2007 and that includes our commitment to no compulsory redundancies.

That commitment has provided vital reassurance to staff across the public sector during challenging times and continues to underpin our approach to workforce change. This is about ensuring that you, our NHS workforce, can provide the best possible service to the patients of NHS Scotland.

NHS organisations will be expected to consider a range of measures including workforce redesign, redeployment, retraining and reskilling, natural turnover, vacancy management and, where appropriate, voluntary exit arrangements. The focus is on managing change in a planned and sustainable way while continuing to protect and improve patient services.

This is about simplifying how people access health care and reducing the variation in how services are delivered across Scotland. It's about investing in initiatives like Hospital at Home and care in communities which delivers care on people's doorsteps.

The purpose of the reforms is to create a more joined-up NHS that enables services to be planned and delivered more effectively across Scotland, with greater collaboration, less duplication and better use of resources. It should support closer

collaboration, more streamlined processes and greater staff opportunities for learning, development and career progression.

3. Future Roles, Structures and Employment Arrangements

1. How will staff transfer into any new organisational structures, and will staff automatically transfer or be required to apply for roles?
2. What impact do Ministers anticipate on existing management, leadership and corporate support structures?
3. Will support services and administrative functions become more centralised at national or regional level?
4. How will accountability, reporting arrangements and operational responsibility work within the new Strategic Health Boards?
5. Who will be the employer of staff following any future organisational changes?

Answer
Staff will be automatically transferred into the new Boards in their current roles with no change to pay or terms and conditions. We will work fully in partnership with staff and trade unions throughout this process.

Our objective is to create an environment that continues to support professional growth, develops future leaders and enables staff to contribute fully to improving services for patients.

We should not have 14 approaches to workforce planning, recruitment and deployment arrangements and opportunities for career progression when we have an NHS for Scotland where all our workforce should be treated equally.

We are keen to hear directly from the workforce about issues we can resolve through reform of NHS boards.

Detailed governance arrangements – including corporate functions - will be developed during the design phase of the structural reform and we will consider how local democratic voices are best reflected within the new system.

4. Terms and Conditions

1. Will Agenda for Change terms and conditions continue to be protected throughout the reform process?
2. How will differences in grading, job descriptions and role profiles between Health Boards be addressed?
3. Will staff who are displaced from their current role retain access to pay protection and other organisational change arrangements?
4. How will any harmonisation of terms and conditions be managed across newly formed organisations?

Answer
Yes, Agenda for Change terms and conditions will continue to be protected.

We have national workforce policies that are applied consistently across all NHS Boards in Scotland, agreed in partnership on a Once for Scotland basis. These will continue under these changes.

There will be no change to terms and conditions. Current contracts such as Agenda for Change, Medical and Dental will remain in place. As is currently the case, we will continue to work in partnership with trade unions and negotiate any potential necessary future changes through our collective bargaining mechanisms.

5. Social Care, Local Autonomy and Decision-Making

1. What level of local decision-making and operational autonomy will remain under the proposed East and West Strategic Health Boards?
2. How will local population needs, geography and community differences continue to be reflected in service planning and delivery?
3. What local governance arrangements are envisaged beneath the Strategic Health Board level?
4. How will relationships with local authorities, Integration Joint Boards and community planning arrangements be affected?
5. If there is a decision around Social Care coming within the NHS, what does this mean for Integrated Boards who have fully integrated services, Children and Justice?
6. Will there be a need for new legislation?
7. What is expected to be retained within local authorities in terms of adult social care and adult social work?

Answer
A two-Board model offers the best balance of ambition, pace and deliverability. It builds on existing arrangements, supports resilience and mutual aid, and provides a strong platform for wider health and social care reform while maintaining continuity of care.

NHS boards have already been collaborating closely through their sub-national planning structures in the East and West throughout the past 9 months to improve how care is delivered. The important groundwork has begun to allow boards to work more closely together and that has reaped results. But we now need to be able to dismantle the current bureaucratic and geographic obstacles still in place which mean decision-making can be slow and there are limitations in how and where care can be delivered.

A move to two new territorial health boards can be effected using existing powers under the National Health Service (Scotland) Act 1978. This means that these changes do not require primary legislation but can be made by way of secondary legislation.

Local communities will continue to play an important role in helping to shape services. Engagement with patients, service users, communities, elected

representatives and local partners will remain central to decision-making, supported by appropriate governance, participation and locality arrangements.

The reforms are not intended to create a one-size-fits-all system. Planning across larger populations will enable greater sharing of workforce, expertise and capacity, while continuing to support tailored approaches that reflect local circumstances, including the unique needs of rural and island communities.

No decisions have been taken on the future of Integration Joint Boards (IJBs), and the existing integration statutory arrangements will remain in place. However integration arrangements to be reviewed as part of wider health, social care and public service reform.

Over the next three months, we will undertake an intensive programme of engagement with local government and partners to consider how health, social care and wider public services can work more effectively together, make best use of public investment and improve outcomes for people and communities.

Partnership working across local government, health, social care and community planning organisations will remain essential. Detailed arrangements will be developed as part of wider public service reform.

6. Travel, Location and Geography

1. Will staff be expected to travel more frequently or work across a wider geographical area as a result of the reforms?
2. Could staff be required to relocate or change their normal place of work?
3. How will the needs of rural and island communities be reflected within the future model?
4. What will these proposals mean for patient travel and access to services, particularly where services may be delivered across larger geographical regions?

Answer
A more integrated NHS has the potential to create broader opportunities for professional development, leadership, specialist practice and participation in regional and national networks, while allowing staff to continue providing care within their local communities.

We will take account of the specific needs of rural and island communities and will work with island authorities and communities to develop bespoke arrangements with strong local governance and service delivery. This will include exploring Single Authority Models, which bring key public services together under a single system of local governance to support more integrated decision-making and long-term planning.

The reforms are designed to improve equitable access to safe, high-quality health care services across Scotland. Planning services across larger populations will make

better use of workforce, infrastructure and specialist expertise, helping to reduce variation in access and outcomes while maintaining local delivery wherever possible.

The needs of rural and island communities will remain central to service planning, ensuring future arrangements reflect local circumstances rather than taking a one-size-fits-all approach.

Our aim is to provide more care closer to home health care, where appropriate through community services, digital care and local support. However, some highly specialised services may continue to be planned and delivered across larger populations in order to maintain clinical quality, workforce sustainability and patient safety. The principle remains that routine and community-based care should be delivered as locally as possible, while specialist services should be organised in the way that achieves the best outcomes for patients. Structural reform does not change that.

7. Service Configuration and Capital Investment

1. What is the predicted cost of making these changes from 14 Health Boards down to 2?
2. Are there plans to consolidate or centralise clinical or support services as part of the reform programme?
3. Will current service redesign programmes, capital developments and estates projects continue as planned during implementation of the reforms?
4. How will decisions be made about the future location and delivery of services across the new Strategic Health Boards?

Answer
While structural change will support long-term financial sustainability, the greatest benefits will come from service redesign, better planning and reducing variation in health care and outcomes across Scotland.

The costs and benefits of reform will be set out through the programme's business case and developed in partnership with NHS Boards. This work will complement existing plans to improve financial sustainability and support Boards in returning to financial balance.

The programme will be supported by a clear benefits framework and ongoing monitoring to assess whether it delivers improved outcomes and value for money.

Decisions on final service structure models and their locations will be worked through during this design phase.

Current service redesign programmes, capital developments and estates projects will continue as planned for the time being.

8. Governance and Organisational Design

1. What evidence informed the decision to move to two Strategic Health Boards rather than an alternative model?
2. Why was a two-board model selected rather than a single national system or a different regional configuration?
3. How will resources be allocated fairly across large and geographically diverse populations?
4. Where will the new Strategic Health Boards be headquartered and what organisational structures are currently being considered?

Answer
The current landscape is complex, with multiple organisations involved in planning and delivering services. The move to two territorial Boards will:

- simplify governance
- improve accountability
- support more consistent and fair service delivery
- reduce unwarranted variation and
- provide a platform for the long-term sustainability of NHS Scotland.

A two-Board model offers the best balance of ambition, pace and deliverability. It builds on existing arrangements, supports resilience and mutual aid, and provides a strong platform for wider reform while maintaining continuity of care.

No decisions on a HQ for the future of the NHS have been taken; our priority first and foremost is on improving services for people and not structures.

Local communities will continue to play an important role in helping to shape services. Engagement with patients, service users, communities, elected representatives and local partners will remain central to decision-making, supported by appropriate governance, participation and locality arrangements.

9. National Boards and National Functions

1. What is the long-term vision for Scotland's national and special Health Boards?
2. How will national functions such as improvement, assurance, quality, regulation, planning and commissioning operate within the future system?
3. How does the Government envisage organisations such as Healthcare Improvement Scotland contributing within the reformed system?
4. How will relationships between national bodies and the new Strategic Health Boards operate in practice?

Answer
Special Health Boards provide specialist services and national functions that support healthcare across Scotland, rather than serving specific geographic areas. They include organisations such as the Scottish Ambulance Service, Public Health Scotland, NHS 24, the State Hospital and NHS Golden Jubilee.

10 September 2026

As part of wider NHS reform, we will consider opportunities to simplify the Special Health Board landscape where this could improve efficiency, reduce duplication and strengthen national delivery. No decisions have been taken and all options remain under consideration.

In line with our commitment to simplify the health and care assurance landscape, we will explore how assurance arrangements can better support integrated services, reduce duplication and focus more clearly on outcomes and experiences for people using the services. Any proposals will be developed in partnership with stakeholders.

10. Engagement and Consultation

1. What formal consultation and engagement processes will take place with staff, trade unions, professional bodies and stakeholders before decisions are finalised?
2. How will staff views influence the development of future proposals?
3. How will risks and concerns raised during implementation be monitored and addressed?
4. What information can organisations currently provide to staff to help reduce uncertainty while detailed proposals are being developed?

Answer
Engagement will be central to developing the detailed proposals and business case. We will work closely with NHS Boards, staff, trade unions, professional bodies, local government, Integration Authorities, social care partners, patients and the public to help shape future arrangements.

Equality, fairness and reducing health inequalities will be core principles throughout the design process, supported by appropriate impact assessments. Wider public service reform engagement will also inform proposals on civic participation, locality arrangements and community influence.

Feedback will be carefully considered as plans develop, with a commitment to an open and transparent process that identifies and addresses concerns and opportunities wherever possible. Formal consultation arrangements will be determined by the final proposals and any legal requirements, with stakeholders given opportunities to contribute throughout the programme.

Agenda Item	
Report No	

The Highland Council

Committee: **The Highland Council**

Date: **17 September 2026**

Report Title: **Programme for Government - Public Sector Reform (including Models of Integration Phase 2 Review Update)**

Report By: **Chief Executive**

1. Purpose/Executive Summary

1.1 This report informs Members about the Scottish Government's Programme for Government which outlines what ministers want to achieve before the next Scottish Parliament election in 2031. The focus of this report is on the proposed Public Sector Reform, the initial implications for the Council, the engagement that has taken place to date and potential next steps.

1.2 The report also provides Members with an update on the Models of Integration Review (Section 7). Due to the significant changes to the NHS outlined in the Programme for Government, it is proposed that the Review is paused pending further clarity emerging about health and social care integration. However, it is recommended that the Stakeholder engagement events planned for October should still proceed.

2. Recommendations

2.1 Members are asked to:

i. **Note** the potentially significant implications of the Programme For Government proposals for local government, delivery of health and social care and wider public services reform;
ii. **Note** the engagement that has taken place with the First Minister;
iii. **Agree** that direct engagement and communication continue with the Scottish Government and officials;
iv. **Agree** that a further report be considered at December Council updating Members;
v. **Note** the outcome of the MOI Review Phase 2 options appraisal as detailed at Appendix 1;
vi. **Agree** the MOI Review should be paused, pending greater clarity about the Scottish Government's plans for health and social care integration;
vii. **Agree** to engage with stakeholders, incorporating consultation on the Highland Outcome Improvement Plan and existing Community Planning partnership events.

3. Implications

3.1 **Resource**

In relation to PFG, there are no known resource implications arising from this report at this time. In relation to the MOI Review Phase 2 Review, these are set out in Appendix 1.

3.2 **Legal**

In relation to PFG, there are no known legal implications arising from this report at this time. In relation to the MOI Review Phase 2 Review, these are set out in Appendix 1.

3.3 **Risk**

In relation to PFG, there are no known risk implications arising from this report at this time. In relation to the MOI Review Phase 2 Review, these are set out in Appendix 1.

3.4 **Health and Safety** (risks arising from changes to plant, equipment, process, or people)

There are no known Health and Safety implications arising from this report at this time.

3.5 **Gaelic**

There are no known Gaelic implications arising from this report at this time.

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 **Integrated Impact Assessment**

4.3.1 As this report primarily informs members about the Scottish Government's Programme For Government an Integrated Impact Assessment is not required. Members will note recommendation (vi) is to pause the MOI Review until such time as greater clarity is achieved on public service reform. Engagement however will continue and this information will help inform any future assessment of impact.

5. Background

5.1 The Scottish Government published its Programme for Government (PFG) on 1 September 2026.

https://www.gov.scot/programme-for-government/

The PFG focussed on four key themes:

- Eradicating child poverty
- Growing the economy
- Tackling the climate emergency
- Delivering a stronger NHS and public services

The PFG is likely to have significant implications for local government, including Highland Council. While there are potential implications for the Council across all the themes, this report focuses on the "Delivering a stronger NHS and Public Services' theme, summarises the announcements and potential impacts and sets out what some of the next steps are anticipated to be. In doing so, it is acknowledged that the information is being drawn from the information and detail currently available from the Scottish Government and accordingly final outcomes and timescales are not currently available.

6. Delivering a stronger NHS and Public Services

6.1 With respect to delivering a stronger NHS and Public Services, the PFG sets out a number of key immediate actions in terms of public service reform:

6.2 *Empowering regions and communities*

6.2.1 "…Over the next three months we will convene a dialogue with partners across Parliament, local government, and beyond about the future of local governance in Scotland. This will include how resources may be pooled at a regional level while also strengthening community level governance, empowering people to influence local decision making. By the end of the year, we will seek a shared direction for reform – enabling the focus to move from debate to delivery and ensuring early decisions and progress can be made through the first Budget of this Parliament.…";

6.3 *Delivering reform of social care*

6.3.1 "Scotland faces increasing demographic challenges, placing growing financial pressures on health and social care and affecting people's experience of services. Right now, the arrangements we have in place to manage and deliver social care in Scotland are too often inconsistent in their delivery.

6.3.2 With improvement of outcomes for people and financial sustainability at the core of this programme, reform of both the National Health Service and local government must also include examining all options for the future governance and delivery of social care. We will use these next three months to engage with local authorities, trades unions, and healthcare and service providers to reach agreement on reform of social care which makes best use of the funding in the system, delivers fairer and more efficient services and achieves economies of scale, while enhancing the focus on community need.…";

6.4 *Empowering school leaders, raising standards and reducing variation*

6.4.1 "…Decision making should be as close to the classroom as possible. Empowering our school leaders and ensuring they have the tools and support as the professional leaders of learning will be critical. Schools are focal points of our communities and engagement with parent councils will ensure the aspirations of local communities can be achieved.

6.4.2 As part of our reforms, we will work closely with local government, school communities and headteachers to maximise the opportunities that reform of governance and service delivery will bring – to raise attainment, close the poverty-related attainment gap, reduce variation in outcomes, strengthen data and system-wide improvement, and support the journey through early childhood development and early learning into school…"

6.5 *Making early progress in healthcare*

6.5.1 "The pressures facing our public services are acute, and all options must be on the table for serious discussion, including new forms of collaboration, changes to structures, and more strategic regional models of local government with the powers, permission, and flexibility to drive economic growth and support wellbeing.

6.5.2 We will simplify the NHS by replacing the current 14 territorial Health Boards with two Strategic Health Boards and build on planned reforms to further reduce the number of special Health Boards. Alongside other measures to improve patient experience, including the National Flow Plan, this will deliver more efficient use of resources across Scotland, freeing up more time and capacity for treatment, and improve patient access through more joined up care. It will also support efforts to improve further the integration of health and social care services…"

6.6 In both his speech (https://www.gov.scot/publications/programme-for-government-2026-to-2031-first-ministers-speech/) and subsequent media interviews, the First Minister appeared to go further than the published PFG. He stated that he expects there to be fewer and larger local authorities (without committing to a number) and that he expects social care to come under the direct control of the NHS. Of note the First Minister said of local government, '*In Scotland today, we are faced with the reality that some of our councils are too small to be strategic and some are too big to be local. The government believes that should change.'* However, in subsequent discussions, senior civil servants have maintained that any dialogue is being approached with an open mind on the part of the Scottish Government.

6.7 At this stage no formal proposals for local government boundary changes have been published and the Scottish Government has indicated that discussions will proceed without a predetermined structural outcome. The Scottish Government has stated that it expects to have dialogue with stakeholders within a three-month period.

7.0 NHS Highland and Adult Social Care

7.1 The Scottish Government is explicit in the PFG document that the current arrangement of fourteen health boards in Scotland will be reduced to two Strategic Health Boards. The proposal will see NHS Highland forming part of a West Strategic Health Board. There is no indicative timescales for this with further details expected by the end of the year.

7.2 In his speech the First Minister stated "*Decisions on social care at a council level impact on the health service and the NHS's ability to deal with problems like delayed*

discharge. That means money is being spent in ways that do not deliver the best results for citizens. This too must change.

Reform to social care, therefore, will also be part of our engagement over these next three months. Again, I do not seek to be prescriptive, but I cannot see us resolving the fundamental challenges facing social care without a single line of decision-making, accountability and funding, with the NHS taking the lead."

7.3 Adult social care in Highland is currently delivered by NHS Highland under the lead Agency model. In the last eighteen months the Council and NHS Highland have been actively engaged in undertaking a review of the current arrangements through the Models of Integration Review. At the previous meeting of the Highland Council on 26 March 2026, it was agreed that two options should be taken forward into Phase 2 of the Models of Integration Review, and that the Senior Officer's Group (SOG) should continue to develop plans for stakeholder consultation and engagement, with a view to bringing draft proposals to the Council and NHS Board by September 2026

7.4 The Phase 2 Outcome report is attached at **Appendix 1**. This provides background to the Review and includes the detailed Stage 2 Outcome report, as approved by the Models of Integration Joint Steering Group. The report explains that the emerging thinking from those involved in the detailed Phase Two Options Appraisal was a move away from the current Lead Agency Model and towards a new model of integration based on the IJB arrangements in operation across the rest of Scotland. In addition, the report recommended a plan for consultation and engagement with staff and stakeholders. This can be taken forward alongside the planned consultation on the new Highland Outcome Improvement Plan (HOIP) at the same time.

At the point at which this report was finalised through the Steering Group and signed off by the Council/NHS Highland Joint Chef Executive's Group, the Scottish Government had yet to publish its Programme for Government. It was understood at the time, and highlighted in the Risk Section, that the Public Sector Reform agenda might have implications for the MOI Review.

Whilst the detailed implications of the Programme for Government and wider Public Sector Reform are still uncertain, the recent Government announcements have confirmed that health and social care will be a key focus and it appears from the available information that IJBs may no longer be an option for delivering integrated health and social care arrangements in Scotland. In addition, the Scottish Government has announced that there will be a three-month engagement with local government.

As a consequence of the current uncertainty, it is recommended that further work on the Models of Integration Review is paused. However, it is proposed that the engagement events still take place, as there is a requirement to engage with stakeholders on the HOIP and these events would also provide an opportunity to seek views about the Programme For Government which could be fed back as part of the Council's engagement with the Scottish Government's three-month consultation exercise.

8. Highland Council's Response

8.1 Following the publication of the PFG and the First Minister's speech the Council Leader and Convener have written a joint letter to the First Minister seeking an early meeting. The letter forms **Appendix 2** to this report.

8.2 The letter highlights the Council's priorities and plans as well as drawing the First Minister's attention to the Council's its evolving track record in improving services. Reference is made to successive Audit Scotland reports, including the Best Value Report of 2025, which have expressed confidence in the transformational approach being taken by the Council, especially in relation to improving services and managing finances sustainably in the context of contracting budgets.

8.3 Further and reflecting the theme of Public Services attention is drawn to a number of recent Council initiatives including:-

- the Highland Investment Plan which makes provision to create a £2.1 billion investment programme;
- the Highland Housing Challenge Action Plan to build 25,000 homes in the area over the next ten years;
- Invest Highland website and investment prospectus, which is devoted to region wide infrastructure opportunities; local area developments in housing, schools and community facilities and climate resilience schemes; and local community and place plans;
- the Social Value Charter for Renewables, which has delivered private sector investment commitments of over £6 billion so far;
- the Operational Delivery and Transformation Plan, which has committed over £30 million of investment in Social Care in the past three years to support the delivery of these services under the Lead Agency model by NHS Highland; and
- the evolution of a new generation of Unique Visitor Experiences, based on the success of An Storr.

8.4 In its concluding paragraph the letter states, "We would therefore welcome assurance that the perspective of Highland Council will be fully reflected in the development of the proposed Public Service Renewal (Scotland) Bill and in the implementation of wider reform measures. There are a range of other suggestions that we have and would like to expand on these in a future meeting with you."

8.5 The Chief Executive and Assistant Chief Executive (People) have written to staff on the Scottish Government's Reform Proposals (**Appendix 3**).

8.6 It is proposed that a report is brought to December 2026 Council updating Members on the discussion and engagement that has taken place with the Scottish Government.

Designation: Chief Executive

Date: 14 September 2026

Author: Derek Brown, Chief Executive

The Highland Council and NHS Highland

Agenda Item	
Report No	

Committee: **Highland Council and NHS Highland Board**

Date: **17 September 2026**

Report Title: **Models of Integration Review – Options Appraisal Phase 2 Outcome report and Programme Update and Next Steps**

Report By: **Kate Lackie, Assistant Chief Executive – People**
Gareth Adkins, Director of People and Culture

1 Purpose/Executive Summary

1.1 At the previous meeting of the Highland Council on 26 March 2026, it was agreed that two options should be taken forward into Phase 2 of the Review, and that the Senior Officer's Group (SOG) should continue to develop plans for stakeholder consultation and engagement, with a view to bringing final proposals to the Council and NHS Board by September 2026. During the debate the tight timescales proposed were queried and acknowledged as a risk. It was noted that provision was being put in place to review and potentially adjust the timescales as the programme progressed.

The purpose of this report is to provide the Highland Council with an update on progress of the Models of Integration (MOI) Review and confirmation of the future plan. The review is not an end in itself and is not primarily about organisational form. Its purpose is to consider whether the way health and social care services are planned, managed and overseen in Highland can better support improved outcomes for people, families and communities across the area. The Draft Phase 2 Interim Options Appraisal Report is attached as **Appendix 1.**

The Options Appraisal Phase 2 review was established following the agreed outcome of Phase 1, to consider whether the current Lead Agency Model remains the most appropriate organisational arrangement for delivering integrated health and social care services across Highland for adults and children, or whether there is a benefit in moving to a Body Corporate model, commonly referred to as an Integration Joint Board (IJB). The Lead Agency Model is the only such model in Scotland, whilst the IJB model is the approach currently used across all other Scottish health and social care partnerships. Any potential change of model should therefore be judged primarily by

whether it is likely to improve the experience, support, care and outcomes of the people and population of Highland, rather than by structural alignment alone.

1.2 Options Appraisal update

Since the Highland Council last met on 26 March 2026, Phase 2 of the Options Appraisal process has progressed. Detailed appraisal sessions have been completed with strategic and operational leaders from across NHS Highland and The Highland Council, together with key workstreams covering finance, governance, workforce and professional assurance. Whilst strengths and risks have been identified in both models, the broad balance of opinion is in favour of a move to an IJB. A summary of phase 2 is set out in section 6 of this report.

Trade Union and Staff Side representatives are now members of the Senior Officers' Group and have participated in the options appraisal briefing sessions. They will continue to be engaged throughout the process to ensure their views and feedback inform the ongoing development and appraisal of options.

1.3 Steering Group Consideration and Emerging Themes

The Joint Steering Group considered the Draft Interim Options Appraisal Report on 13 August 2026 and, whilst noting the emerging findings from Phase 2, identified a number of areas requiring further development before final recommendations can be made. These matters are summarised in Section 7.

1.4 The Phase 2 Draft Interim Options Appraisal Report is attached as **Appendix 1.**

The report seeks to inform members of the work undertaken to date, present the emerging findings from the options appraisal process and provide an overview of stakeholder feedback and issues requiring further consideration before final recommendations are brought forward later in the year.

1.5 It is intended to bring final outcome reports to The Highland Council and NHS Highland Board in November/December 2026. Therefore, it was agreed at the Joint Steering Group on 13 August 2026 that a further meeting of the Steering Group would be arranged to agree final recommendations to both organisations prior to that.

2 Recommendations

2.1 i. With regard to the options appraisal, it is recommended that Members:

a) **Note** the outcome of the Phase 2 options appraisal summarised at section 6;
b) **Agree** the Draft Phase 2 interim Options Appraisal Report **(Appendix 1);** and
c) **Note** the Steering Group Consideration and Further Work summarised at section 7.

ii. With regard to next steps, it is recommended that Members:

a. **Note** a further Steering Group meeting to be arranged prior to final reports going to The Highland Council and NHS Highland Board in November/December 2026;
b. **Note** the final outcome reports and recommendation to be presented to The Highland Council and NHS Highland Board in November/December 2026; and
c. **Note** and agree the next steps in terms of the ongoing engagement process set out in paragraph 9 of this report.

3 Implications

3.1 **Resource** -There are specific resource implications arising directly as a result of Joint Chief Executive's Group having approved the MOI cost overview paper for non-recurrent investment funds on 27 May 2026 (**Appendix 2).**

Any change to the model of governance will have financial implications for both the Highland Council and NHS Highland. Aspects of this are addressed and scored in the Draft Phase 2 report, reflecting consideration by officers. The Steering Group noted that the financial assessment would need to be expanded for the final closure report to provide appropriate levels of assurance to members to make an informed decision about the final outcome.

There is also a requirement for lead officers in both organisations to identify capacity to take the work forward at pace which will require a re-prioritisation of workload in some cases.

3.2 **Legal** - At the present time there are no specific legal implications arising directly from the content of this report. Members will be aware that any change to the model of integration in due course will require to be supported by a revised Integration Scheme which is a document that sets out the legal responsibilities and duties of both partners. Both organisations are in the early stages of instructing Legal advisors in this regard.

3.3 **Risk** - During the Council's consideration of the update report in March 2026, the tight timescales proposed were queried and acknowledged as a risk. It was noted that provision was being put in place to review and potentially adjust the timescales as the programme progressed and this resulted in the Steering Group agreeing that final reports for the Council and NHS Board would come forward at the end of the year rather than in September as originally planned.

Risk assessments form an integral part of the Options Appraisal approach and so risk is considered in more detail throughout the various sections of the Draft Phase 2 Interim Options Appraisal Report at **Appendix 1.**

The Steering Group discussed the potential implications of the programme for government and specifically any content related to public sector reform. It was noted that the programme for government may influence the work of the MOI review but this will need to be taken into account as further information emerges.

The risk of programme for government impacting on the MOI review was discussed and noted. However it was noted that it was not possible to pre-empt the publication of the programme for government and that work should continue as planned at this stage.

3.4 **Health and Safety** (risks arising from changes to plant, equipment, process, or people) and Gaelic – There are no such implications arising from 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 Progress Update

5.1 Programme Delivery

Since the previous Highland Council meeting significant progress has been made across the review programme. Additional programme resources have been recruited, with appointments completed during July 2026. These posts provide additional capacity to support programme management, engagement activity, communications and consultation planning. This will be important during the next phase of the programme as engagement activity broadens and preparations begin for possible implementation planning.

5.2 Programme governance arrangements continue to operate through the Senior Officer Group, Joint Chief Executives' Group, and the Models of Integration Steering Group. A comprehensive programme management framework is now in place including a detailed programme plan, action tracker, risk register, issue log and decision log. These arrangements provide clear oversight and monitoring of progress and support escalation of matters requiring strategic direction.

6. Phase 2 Options Appraisal - Summary

6.1 A substantial programme of options appraisal activity has been completed since March 2026.

Workshops and appraisal sessions have been undertaken with representatives from:

- Finance and Corporate Resources
- Corporate Governance
- Professional Leads and Clinical and Care Governance
- Human Resources and Workforce
- Strategic Leads across The Highland Council
- Operational Leads across The Highland Council
- Strategic Leads across NHS Highland
- Operational Leads within NHS Highland, with the final outcomes currently being incorporated into the overall analysis.

6.2 The appraisal process has been undertaken using a recognised options appraisal methodology informed by Audit Scotland guidance and HM Treasury Green Book principles. Participants considered both the existing Lead Agency Model and an alternative body corporate model based on an Integration Joint Board structure against a set of agreed success criteria:

- Strategic fit
- Performance
- Finance
- Risk
- Opportunities and benefits

Alongside structured scoring, participants were asked to explore strengths, weaknesses and future opportunities associated with both models. Detailed outcomes are outlined in **Appendix1**

6.3 Across all groups there was recognition that the current Lead Agency Model has delivered significant benefits since its introduction in 2012. Participants highlighted the strength of integrated working within both adult and children's services, well established professional relationships, a strong sense of identity amongst staff, and a shared commitment to delivering high-quality services. Particular strengths were identified within integrated children's services, where close collaboration between children's social work and child health services was viewed by the relevant workforce as a positive feature of the current arrangements and viewed as desirable going forward, whichever governance model is in place.

6.4 Alongside these strengths, participants consistently identified several challenges associated with the current model. These included the complexity of governance and accountability arrangements, difficulties in developing a whole-system approach to strategic planning and resource allocation, challenges at the interfaces between children's and adult services, and barriers to delivering fully integrated pathways of care. Concerns were also raised regarding the complexity of professional governance arrangements, information sharing, and the need to develop local solutions to accommodate national policy and legislative frameworks that are largely designed around Integration Joint Board arrangements.

6.5 Whilst views varied between professional groups and organisational perspectives, the overall outcome of the appraisal activity indicated a broad balance of opinion in favour of further consideration of an Integration Joint Board model. Participants generally considered that an IJB could provide greater opportunity to simplify governance arrangements, strengthen accountability, improve strategic planning across all age groups, support more integrated financial planning, and create a stronger platform for the development of a whole-system model of health and social care across Highland. The key test for any future model, however, is whether it would help services work together in ways that improve outcomes for people and communities, including through earlier support, better coordinated care, clearer accountability and more effective use of collective resources.

6.6 Several risks and concerns were also identified in relation to any potential move to an IJB. These included:

- Potential disruption to service delivery during the transition to new governance and management arrangements.
- Uncertainty for staff whilst future organisational and employment arrangements are determined.
- Financial implications associated with any transfer of functions, budgets or workforce between organisations.
- The requirement to establish robust financial governance, risk sharing arrangements and a balanced Day 1 budget.
- The need to maintain service performance, improvement activity and organisational stability throughout any implementation period.
- Concerns that smaller or specialist services may have reduced visibility and priority within a larger integrated structure.
- Potential impacts on established partnership arrangements with services that may remain outwith any revised integration arrangements, particularly in relation to education services.
- The need to agree the scope of functions to be delegated to any future IJB.
- The requirement for extensive engagement with staff, trade unions, partners, service users and communities to support successful implementation.
- Recognition that the performance of Integration Joint Boards across Scotland is variable and that structural change alone would not automatically deliver improved outcomes.

The Steering Group also recognised that the governance model is only one enabler of improvement. Any future recommendation will need to be supported by a clear description of the service and care outcomes that the preferred model is intended to enable, and by practical implementation plans that protect continuity of care while supporting improvement.

6.7 The detailed findings of the appraisal process are set out in **Appendix 1**. At this stage, the emerging conclusion from Phase 2 is that there is broad support for an Integration Joint Board model as the option most likely to address the systemic challenges identified through the review and support delivery of the agreed objectives for change. This position remains subject to completion of engagement and further analysis, and any final recommendation will need to demonstrate how the proposed model would improve outcomes for the people and population of Highland. Participants consistently emphasised that achieving the anticipated benefits would be dependent on careful implementation planning, effective stakeholder engagement, and a clear focus on maintaining service continuity and workforce confidence throughout any transition.

7 Steering Group Consideration and Further Work

7.1 The Joint Steering Group considered the Draft Interim Options Appraisal Report on 13 August 2026 and noted the substantial progress made across the review programme. Members welcomed the breadth of engagement undertaken and the balanced approach adopted throughout the appraisal process.

7.2 The Steering Group noted that, whilst a range of views had been expressed through the engagement process, the overall balance of feedback indicated support for further consideration of an Integration Joint Board model. Members also recognised the importance of retaining the strengths of existing integrated working arrangements regardless of the future model adopted, and of ensuring that any

change is clearly linked to better outcomes for people rather than to structural change for its own sake.

7.3 The Steering Group identified a number of areas requiring further development before final recommendations can be presented, including:

- Fuller consideration of the financial implications and risks for both organisations;
- Financial governance arrangements and learning from other IJBs across Scotland;
- Clarification of the functions recommended for inclusion within any future model;
- Workforce, organisational and legal implications, including any staffing transfer requirements;
- Governance, leadership and organisational capacity arrangements;
- Ensuring smaller services and specialist functions maintain visibility and influence within any future structure; and
- Ongoing engagement and communication with staff, trade unions, elected members, partners, service users and communities.

7.4 The Steering Group agreed that this additional work should be undertaken during the next phase of the review and that a further meeting of the Steering Group should be arranged to consider and agree final recommendations to come to The Highland Council and NHS Highland Board in November/December 2026.

8 **Engagement Plan Update** – **Public consultation and staffside engagement**

8.1 Creative Agency: Following a competitive tender process, Ave Design were appointed in August to support the MOI work and develop creative assets to simply explain the project to both staff and community audiences via an animation video alongside other marketing collateral. This work is underway, creative direction has been signed, and a video will be produced in September to coincide with the launch of the social media campaign to pre-promote the community events in October.

8.2 Staff Engagement: The central resource for engagement will be the online Engagement Hub, hosted on the NHS Highland engagement site and accessible to the public and staff. This bespoke engagement website provides both a repository for background information, including relevant committee papers, and a dynamic platform to gather views and answer questions.

The dedicated staff section launched on 20 August 2026. This is accessible to NHS Highland and Highland Council staff via a log in, and includes FAQs already gathered as part of the engagement process as well as the facility to ask questions and give feedback.

The community section launched on 27 August and is open to all. Staff communication is key to the process, recognising that staff have unique expertise and insight into services. Both NHS Highland and Highland Council are using their established internal communications channels to reach relevant teams, pointing them to the engagement hub. The Council has launched a dedicated Viva Engage channel and both organisations will use email/internal announcements, intranet articles and manager cascade to ensure all affected staff are aware. Face to face engagement sessions in key locations will also aim to reach, in particular, those staff who may have less access to online platforms.

Overall, staff engagement is on track, with key engagement activities progressing in line with the programme engagement plan timeline.

8.3 Community Engagement: Super Engagement Events are being developed to bring together various key NHSH and THC initiatives under one event to generate larger audience attendance and minimise engagement fatigue. It is consequently intended that the four MOI community events will also act as a platform for public engagement on the NHSH 10 Year Strategy and the Highland Outcome Improvement Plan.

- Provisional dates in early October have been identified for four Super Engagement Events in Inverness, Wick, Portree and Fort William.
- Additional community engagement activity will be available via Community Networking Events also taking place during this time.

8.4 Lived Experience Engagement: discussions are underway with third sector partners to identify support, and proposals are currently being reviewed.

9 Next Steps

9.1 Engagement Plan: Between September and November 2026, there will be a broader programme of engagement with staff, trade unions, partner organisations, people with lived experience and communities across Highland to seek their views. Engagement will focus on what matters most to people in how services are planned, organised and delivered, and on whether the options under consideration are likely to support better outcomes for individuals, families and communities. Feedback gathered through this activity will inform the final report and recommendations to be considered by NHS Highland Board and The Highland Council in November/December 2026.

9.2 Workstream development: Further work will also be progressed during this time on governance, workforce, financial and implementation considerations identified through the Stage 2 appraisal process.

9.3 A final report and recommendation will be presented to NHS Highland Board and The Highland Council in November/December 2026, informed by the options appraisal findings, stakeholder feedback and the conclusions of the engagement and consultation process. The final report will need to set out not only the preferred organisational model, but also the purpose of any proposed change, the outcomes it is intended to improve for the people and population of Highland, and the implementation conditions required to realise those benefits A further Steering Group meeting will be arranged prior to this.

9.4 Should NHS Highland Board and The Highland Council jointly decide to pursue changes to the current Integration Scheme, a subsequent programme of statutory consultation and approval activity would be required from December 2026 onwards.

Designation:

Date: 19 August 2026

Author: Andrea Brown- Programme Manager MOI

Appendices:
Appendix 1 – Phase 2 Draft interim Options Appraisal Report
Appendix 2 – MOI cost overview
Appendix 3 – Engagement Materials