Agenda Item 5

NHS Highland

Meeting:	**NHS Highland Board**
Meeting date:	**25th November 2025**
Title:	**Single Authority Model – Options Appraisal**
Responsible Executive/Non-Executive:	**Gareth Adkins, Director of People & Culture**
Report Author:	**Gareth Adkins, Director of People & Culture**

1 Purpose

This is presented to the Board for:

- Decision

The board is asked to:

- Note work completed to date to agree with Argyll and Bute council 2 options for a Single Authority Model (SAM) for consideration:
    1. Further empowered local board based on Integrated Joint Board Model
    2. Strategic Authority Partnership based on a lead agency model of integration
- Support continued work with Argyll and Bute Council to develop an options appraisal with timelines aligned with board and council governance, with a further update to the board in January 2026
- Support further discussions with Scottish Government colleagues to update them on proposed timelines to align decision making with board and council governance, with a further update to the board in January 2026

This report relates to a national policy

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

Effective and Person Centred

This report relates to the following Strategic Outcome(s)

Start Well		Thrive Well		Stay Well		Anchor Well	
Grow Well	X	Listen Well	X	Nurture Well		Plan Well	
Care Well		Live Well		Respond Well		Treat Well	
Journey Well		Age Well		End Well		Value Well	
Perform well	X	Progress well					

2 Report summary

2.1 Situation

Work has been ongoing with Argyll and Bute Council to consider options for a Single Authority Model (SAM) of integration.

Further work is required to agree the approach to a detailed options appraisal including more detail on each option and the anticipated benefits.

This paper provides further detail on the work to date and the next steps proposed for progressing the options appraisal process.

2.2 Background

The board was last updated on progress with development and evaluation of Single Authority Model (SAM) options at the 30th September board meeting. This was to enable preferred options to submitted to Scottish Government in line with the following timelines:

- **September 2025** - local partners should aim to share first draft preferred models with the Scottish Government in September 2025. This should be accompanied by detailed plans mapping out next steps for inclusive policy development, including through extensive engagement with communities and relevant workforces. Draft preferred models should take into account the parameters guidance. In addition, they should make reference to the anticipated impact of reforms on progress against current, or refreshed, Joint Strategic Needs Assessments.
- **December 2025** - In line with previous indicative milestones that have been shared, to support Ministerial and COSLA consideration, local partners should submit detailed models to Scottish Government in December 2025.

The Scottish Government will be providing further information on the type and level of detail that local partners should submit in December 2025. The development of implementation plans will be heavily dependent on the preferred models identified, including what legislative change might be required to enable full implementation. This will be an iterative conversation between SG officials and local partners.

The submission to Scottish Government was in the form of Argyll and Bute Council's paper to their full council which mirrored the information provided to the board's September meeting included in Appendix 1. This outlined that the **preferred options**

for further evaluation were options 4 and 5 summarised below based on the following:

There were potential benefits that could be achieved through both options

- Both options are potentially compatible with the principles and parameters agreed to guide the SAM work
- There are less risks and challenges associated with both options .
- Further exploration would be required to determine the details of each option and further assess these options for the benefits, alignment with principles and parameters and assessment of the risks and challenges

Option 3 was discounted on the basis that:

- It is not compatible with the principles and parameters as currently defined
- the significant risks and challenges associated with this option

Option 2 was discounted on the basis that it appears to offer limited benefits and presents some level of risk and challenge.

Option 4 - A Fully Empowered Local Board

The starting point for this model would be strengthening the IJB and the functions delegated to it by partners (Council and NHS Highland). It could initially build on the existing synergies and effective partnership working demonstrated to date.

However, in an Argyll and Bute context, the maximum functions permissible under the 2014 Act have already been delegated to the IJB. As such, in order to build on existing successes of integration and go any further, the 2014 Act would need to be amended, or new primary legislation required, to expand the functions that could be delegated beyond health and social care (but with similar governance structures to the HSCP/IJB).

For example, a statutory housing partnership, further/higher education partnership, enterprise partnership etc… However, if new statutory partnerships were created for all those service areas it is appreciated this might result in a complex landscape of partnerships/boards, making it difficult for the public sector and public to navigate.

Option 5 - Single Authority Partnership

This model could be considered as a variant of the traditional Lead Agency arrangement (in place within Highland) under the banner of a “Single Authority Partnership”.

This could take effect by conducting a review of the current Integration Scheme (Under Section 45 of the 2014 Act), preparing a new Integration Scheme (under Section 47 of the 2014 Act), and subsequently through the use of Directions (issued under the 2014 Act).

There are two sub-options within this option: the council as the lead agency and the NHS board as the lead agency. Only the former has been considered as it is considered that the latter would not satisfy the requirements for local democratic accountability.

Under such a Strategic Lead Agency arrangement, there would be no transfer of staff – only functions and resources. Under these terms the Health Board would delegate all functions and resources to the Council, as Lead Agency, which could then:-

- redesign back office and business functions to secure maximum efficiency through a process of aggregation (e.g. the two asset management services coming together);
- provide direction back to the Health Board to deliver its functions in accordance with a Strategic Plan conceived to deliver maximum functional integration alongside Council services; and
- provide direction to the Health Board to devise operational arrangements that promote a single delivery agency.

In practice, a Health and Social Care Board or Committee could become the engine room for health and social care delivery, with a membership similar to the IJB if this was desirable - local Elected Members, NHS Non-Executive Directors, professional leads, carers, third sector, etc.

2.3 Assessment

The board is asked to consider the following issues which are explored further below:

- Progress to date with developed a detailed options appraisal on which to base a decision
- Newly announced sub-national planning guidance and potential implications in the decision making process for a SAM
- Feedback from staffside on the SAM options appraisal process

Options Appraisal Process

The options appraisal process and selection of options 4 and 5 for further consideration has been based on a high level evaluation of the benefits and risks of each option alongside consideration of the parameters issued to partners on 18th July 2025.

The benefits of **option 4** are summarised as follows:

This option would require amendments to the 2014 act but would offer the benefits associated with wider integration across the public sector to improve outcomes. It would maintain the current benefits of place based approaches and joint strategic planning within the IJB model and placed based but offer opportunities to enhance these benefits.

There is potential for improved service delivery through wider integration and potential for further efficiencies by working together as independent organisations within the IJB model.

The benefits of **option 5** are summarised as follows:

This option could include the benefits of option 4 by including wider integration in the scope of the single authority partnership.

It does potentially offer benefits for greater efficiencies and productivity through redesign or consolidation of support functions that are not related to staff.

In addition there may be some advantages to the alternative governance arrangements that would replace the IJB as a legal entity and house the joint strategic planning and decision making structures, mechanisms and governance within the council.

Further guidance was received from Scottish Government on 10th October 2025 in relation to detailed submissions for a preferred option by end of December 2025. This is included in appendix 2 and indicates the need for an evidence based options appraisal based on the 'green book' 5 case approach:

- Strategic case
- Economic case
- Commercial case
- Financial case
- Management case

In addition the guidance emphasises the need for:

- Jointly agreed submissions
- Staffside engagement
- Involvement of Community Planning Partnerships and Integration Authorities where the proposal impacts on current arrangements
- reference to local Joint Strategic Needs Assessments when setting out the potential benefits of a preferred model.

The parameters also emphasise the role of accountable officers and responsibility for assessment of proposals against 4 standards:

- **Regularity:** the proposal is compliant with relevant legislation (including the annual Budget Act), delegated authority and relevant guidance issued by the Scottish Ministers i.e., the SPFM and is compatible with the agreed spending budgets.
- **Propriety:** the proposal meets the high standards of public conduct and relevant Parliamentary control procedures and expectations.
- **Value for money** (i.e., Economy, Efficiency & Effectiveness): the proposal must demonstrate good value for money for the use of public funds. In comparison to alternative proposals or doing nothing, the proposal should be systematically evaluated and assessed to provide confidence about suitability, effectiveness, prudence, quality, value and avoidance of error and other waste, judged for the public sector as a whole.

- **Feasibility:** the proposal is feasible, can be implemented accurately, sustainably, and to the intended timetable ensuring it is demonstrating economy, efficiency, effectiveness, considers the equal opportunities requirements, and contributes to the achievement of sustainable development judged for the public sector as a whole."

Taking the guidance and parameters into account there is a need to have an agreed approach to undertaking a more detailed options appraisal and one aspect of this is the critical success factors that would be adopted and evaluated. In addition there would be a need for an evidence base to inform the evaluation of each option against these critical success factors that maps to the 5 case model.

The options assessment criteria included in appendix 3 were proposed by the council and endorsed by the council's short-life working group in May 2025. These were discussed at the joint senior officer's group meeting on 7th November and it was agreed that these could be added to and adopted as critical success factors into an options appraisal based on the 5 case model. Work has started to develop the 5 case options appraisal and this will need to include consideration of the evidence base that would inform evaluation against the critical success factors.

Considering the current maturity of the detail of options 4 and 5 there is a need for further work to ensure the board has sufficient detail in relation to the changes each option would entail and how these would enable the benefits articulated in the critical success factors including how will it:

1. enable improved outcomes for people
2. improve efficiency and effectiveness in relation to revenue and capital utilisation
3. streamline support functions to enable efficiency and savings
4. enhance partnership working between the council and NHS board beyond current arrangements
5. enhance local democracy beyond current arrangements and enable the board to discharge its responsibilities under the 1978 act including responsibility for outcomes for health services for its population

The benefit categories 1-3 above could be considered measurable, i.e. it would be expected that the impact of changes associated with each option could be measured. It would also be expected that to support an options appraisal that:

- Indicators associated with outcomes for people would be considered (such as the national health and wellbeing outcomes indicators) and the anticipated impact of changes of each option articulated
- Changes associated with each option that support efficiency and productivity are articulated and quantified where possible

In contrast benefit categories 4 and 5 are less tangible and may be more subjective in nature and different stakeholders may have different perspectives on the anticipated benefits of each option.

It should be recognised that changing the model of integration does not by itself lead to improved outcomes for people. However, it is proposed that the options appraisal process includes scoring of the options in relation to the potential impact on outcomes for people and in particular an agreed set of indicators.

It is further proposed that further detail is developed on the anticipated efficiency and productivity benefits and these are estimated where possible.

In addition it is proposed that the impact on partnership working, local democracy and board responsibilities is scored and includes the views of both councillors and board members.
At this stage there is further work required to agree the approach to a detailed options appraisal which is a risk to the timelines proposed for submitting a detailed proposal.

Sub-national planning Director's letter

Recent correspondence received from Scottish Government on 13th November has set out new arrangements for co-operation and collaboration between NHS Boards. This includes reference to:

- A consolidated financial plan for Scotland East and Scotland West should be produced for 2026-27, with support from the NHS Scotland Finance Delivery Unit (FDU), and submitted to Ministers. This would allow review of the consolidated position, common pressures and for areas of overspend to be identified. Areas of recurring overspend could be triangulated with workforce planning and service planning to move towards a sustainable model.
- There is no change to the Scottish Public Finance Model and all Health Boards have a statutory responsibility to achieve financial balance on an annual basis. By year three of this approach (i.e. financial year 2028-29), we expect that these sub-national structures will result in significant reductions to certain Health Boards' deficits. This will be discussed with individual Health Boards, as appropriate, in line with the relevant stage for finance within the NHS Scotland Support and Intervention Framework

NHS Highland will be included in a new Sub-National Planning and Delivery Committee for the West including NHS Ayrshire and Arran, NHS Dumfries and Galloway, NHS Forth Valley, NHS Greater Glasgow and Clyde, NHS Highland, NHS Lanarkshire, and NHS Western Isles.

In addition to consolidated financial planning there are 4 objectives that will be delivered through this new arrangement:

- Meeting of Treatment Time Guarantee for Orthopaedic Elective Care Services
- Emergency Healthcare Services and specifically development of optimal models for flow navigation and virtual services so that emergency healthcare services meet the needs of local populations
- Once for Scotland Business Systems which includes support services mentioned in the scope of the SAM, e.g. HR, Finance
- MyCare.scot – delivering the digital front door

It is not clear at this stage how consolidated financial planning will interact with single authority model proposals and the role NHS Highland will be required to fulfil within the new sub-national planning arrangements.

In addition the implications of the sub-national approach to the 4 objectives on the SAM will also need to be explored more fully.

Staff Governance

A briefing session on the Single Authority Model was held with staffside colleagues on 11th November 2025 and the following points were raised:

- **Staff Governance Standards:** The lack of detail in the current proposals makes it difficult for staff to provide meaningful input and could impact staff governance standards, and staffside are requesting further, thorough engagement to address these issues.
- **Need for Evidence-Based Appraisal:** The importance of moving from subjective to evidential basis for appraising options was agreed, with a focus on demonstrating clear value and benefits before making any changes to the current integration model.

Summary and recommendations

At this stage there is limited detail on the benefits that the two preferred options would bring that would enhance the current integration arrangements and strong partnership working already in place between Argyll and Bute and NHS Highland.

Further work is required to agree the approach to a detailed options appraisal including more detail on each option and the anticipated benefits.

In addition there is some uncertainty that has emerged recently with the sub-national planning guidance issued by Scottish Government on 13th November 2025 in relation to how this impacts on the SAM options appraisal.

Staffside colleagues have raised concerns in relation to the level of detail currently available to make an informed decision and the need to engage meaningfully with staff once more detail is available.

The board is asked to:

- Note work completed to date to agree with Argyll and Bute council 2 options for a Single Authority Model (SAM) for consideration:
    1. Further empowered local board based on Integrated Joint Board Model
    2. Strategic Authority Partnership based on a lead agency model of integration
- Support continued work with Argyll and Bute Council to develop an options appraisal with timelines aligned with board and council governance, with a further update to the board in January 2026
- Support further discussions with Scottish Government colleagues to update them on proposed timelines to align decision making with board and council governance, with a further update to the board in January 2026

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

3 Impact Analysis

3.1 Quality/ Patient Care

Options appraisal will need to articulate the benefits of a change to the model of integration including quality/patient care.

3.2 Workforce

Staffside engagement has been progressed but further engagement will be required as the options appraisal progresses

3.3 Financial

Options appraisal will need to articulate the benefits of a change to the model of integration including any financial benefits.

3.4 Risk Assessment/Management

Risks will be considered through the options appraisal, particularly those associated with changing the model of integration and potential disruption.

3.5 Data Protection

N/A

3.6 Equality and Diversity, including health inequalities

N/A

3.7 Other impacts

3.8 Communication, involvement, engagement and consultation

3.9 Route to the Meeting

4 Recommendation

4.1 List of appendices

The following appendices are included with this report:

Appendix 1 – Scottish Government Submission
Appendix 2 – Scottish Government December Submission Guidance
Appendix 3 - Draft options assessment criteria

ARGYLL AND BUTE COUNCIL **COUNCIL**

CHIEF EXECUTIVE **24TH SEPTEMBER 2025**

SINGLE AUTHORITY MODEL (SAM) - UPDATE

1.0 EXECUTIVE SUMMARY

1.1 Officers have been working in partnership with colleagues from Argyll and Bute HSCP, NHS Highland, the Scottish Government (SG), COSLA, and other local authorities, such as Western Isles and Orkney, over a period of time to explore the potential benefits and opportunities of alternative governance arrangements, such as a Single Authority Model (SAM).

1.2 Following on from previous update reports, with the latest of these to Council in June 2025, this paper provides a further update on the development work that has been undertaken in respect of exploring options for a SAM and makes recommendations in terms of proposed next steps.

1.3 It is recommended that Members

- Note the ongoing collaborative working that has been undertaken by local partners in respect of developing potential options for a SAM in Argyll and Bute;
- Accept the recommended views of the SLWG that options 4 and 5 are reported to the Scottish Government by end September as the preferred models at this point in time subject to further investigation to support the development of detailed proposals;
- Agree that authority is delegated to the Chief Executive and Executive Director with responsibility for Legal and Regulatory Support, in consultation with the Leader of the Council and the Policy Lead for Care Services, to utilise the Invest to Save Fund in accordance with the spend conditions set out by the Scottish Government.

ARGYLL AND BUTE COUNCIL **COUNCIL**

CHIEF EXECUTIVE **24TH SEPTEMBER 2025**

SINGLE AUTHORITY MODEL (SAM) – UPDATE

2.0 INTRODUCTION

2.1 Officers have been working in partnership with colleagues from Argyll and Bute HSCP, NHS Highland, the Scottish Government (SG), COSLA, and other local authorities, such as Western Isles and Orkney, over a period of time to explore the potential benefits and opportunities of alternative governance arrangements, such as a Single Authority Model (SAM).

2.2 Following on from previous update reports, with the latest of these to Council in June 2025, this paper provides a further update on the development work that has been undertaken in respect of exploring options for a SAM and makes recommendations in terms of proposed next steps.

3.0 RECOMMENDATIONS

3.1 It is recommended that Members

- Note the ongoing collaborative working that has been undertaken by local partners in respect of developing potential options for a SAM in Argyll and Bute;
- Accept the recommended views of the SLWG that options 4 and 5 are reported to the Scottish Government by end September as the preferred models at this point in time subject to further investigation to support the development of detailed proposals;
- Agree that authority is delegated to the Chief Executive and Executive Director with responsibility for Legal and Regulatory Support, in consultation with the Leader of the Council and the Policy Lead for Care Services, to utilise the Invest to Save Fund in accordance with the spend conditions set out by the Scottish Government.

4.0 DETAIL

4.1 BACKGROUND/CONTEXT

4.1.1 Argyll and Bute is made up of a rich mix of remote, rural and island communities, which present a number of challenges in terms of service delivery. In recognition of the unique demographics and geography, and the numerous strands of public sector reform that the SG has committed to, we recognise that a shift in public sector structures is required. Building on the current collaborative/joint working arrangements and the relative success of fully integrated health and social care services, a whole system approach is required.

4.1.2 Public sector service sustainability in Argyll and Bute requires a multi-agency integrated model. Greater integration, collaboration and coordination through joined up strategic planning and delivery of public sector services could deliver better outcomes for the population of Argyll and Bute.

4.1.3 The exploration of SAMs forms part of a wider package of public sector reform being driven at a national level including:-

a) The Local Governance Review was launched jointly by COSLA and the SG in December 2017 with the aim of exploring how power, responsibilities and resources might by shared between local and national government, and with communities. A key element of this work relates to Democracy Matters, which has involved two rounds of consultation by the SG. The latest, phase 2, findings were published in September 2024 and the SG have established a steering group to develop potential models/options for streamlining the community empowerment landscape.

b) COSLA's Plan (2022-2027) confirms that the Local Governance Review remains a key priority, and supports the following three inter-related empowerments as set out by the SG:

i. Community Empowerment through a new relationship with public services where communities have greater control over decisions.
ii. Functional Empowerment of public sector partners to better share resources and work together.
iii. Fiscal Empowerment of democratic decision-makers to deliver locally identified priorities.

c) Programme for Government

i. 2024-25 Programme included a commitment to "*continue to make progress towards concluding the joint review of local governance by the end of this parliamentary session"*" and this includes developing single authority models (SAMs) with local government and health partners to strengthen and streamline local decision making, and support a shift towards more preventative public services.
ii. 2025-2026 Programme states that by the end of the Parliament the SG will publish "*preferred models for Single Authority Models in Argyll and Bute, Orkney and Western Isles that have been developed jointly by local government and health and enable a shift towards prevention. This will include a plan and timeline for*

implementation, with at least one area transitioning to shadow arrangements."

d) The 'Public Sector Reform Strategy' was published in June 2025. Within Workstream 3 – Empowering People, Places and Communities – there is a commitment to *"Empower local government and health partners to strengthen and streamline local decision-making through the development of Single Authority Models in three rural and island local areas, resulting in improved service delivery, better outcomes for communities and a shift towards more preventative public services. We will promote and share learning to inform local governance reform in other geographies."*

e) Health and Social Care Service Renewal Framework was also published in June 2025 and reinforces the importance of whole-system planning and governance, and that all planning must demonstrate partnership working across the public sector. SAMs are cited as being an opportunity to explore the role of alternative local governance arrangements in delivering service renewal, with a particular focus on health and social care, and to develop local decision-making arrangements which can best respond to the unique challenges faced by communities.

f) Scotland's Population Health Framework sets out the SG and COSLA's long term collective approach to improving Scotland's health and reducing health inequalities for the next decade. The conclusion of the Local Governance Review and the establishment of Single Authority Models in rural and island areas such as Argyll and Bute, Western Isles and Orkney, will provide key learning and insights into new place-based approaches for Scotland. Work led by Democracy Matters will also provide blueprints for innovative, democratic community-level decision-making models.

4.1.4 Any proposals developed for a SAM for Argyll and Bute will require to have regard to the outcomes and principles set out in the above publications. The SG have also provided guidance on additional national reform parameters which we should work within when exploring potential models. These are summarised below, with further detail provided in section 4.3.5 below and in appendix 1:-

- Health bodies and integration authorities will retain their respective responsibilities for clinical governance.
- No detriment to terms and conditions, pay or pensions
- No loss of skills or expertise
- Protection of employment in line with the public sector pay policy
- Some health law was not devolved to the Scottish Parliament. Matters such as professional regulation are addressed at UK level. Anything that falls within this category is out of scope for SAMs.
- Scottish Government will retain responsibility for development of current and future national policy and strategy relating to Primary Care

- As Scottish Ministers will retain overall responsibility for health service provision, suitable lines of accountability to Scottish Ministers must remain in place.
- As above, consideration should be given to existing arrangements and frameworks when developing proposals, however partners do not need to be limited by the current legislative context where this would stand in the way of delivering an optimal model.
- Financial governance - the Director-General Health & Social Care/ Chief Executive of NHS Scotland and all accountable officers will be expected to continue to carry out their responsibilities when evaluating any proposals for a SAM.
- Health Boards - any proposals should recognise that there must be a health board in place to carry out the various legal responsibilities (of a health board) for the geographical area that the SAM will cover. This could include agreements with health boards in other geographies, as already happens for some functions. The development of any proposals for SAMs should recognise the importance of health boards collaborating with each other to optimise patient outcomes, address inequalities, and improve efficiency across the system.
- Public Bodies (Joint Working) (Scotland) Act 2014 - when developing proposals for SAMs, local partners should consider whether the aims can be achieved using the existing mechanisms in the 2014 Act. If any proposals would require changes to existing integration schemes and the integration functions, then the constituent authorities would have to follow the processes within the 2014 Act. If there are obstacles in the 2014 Act, or its associated regulations, removal of those can be considered.

4.1.5 The SG are facilitating quarterly Ministerial Meetings to drive forward this strand of reform. The first of these meetings took place in December 2024 and are chaired by Ivan McKee – Minister for Public Finance, and Neil Gray – Cabinet Secretary for Health and Social Care, bringing together SG officials, local partners (Health Board Chairs, Council Leaders and Council Officers from Argyll and Bute, Western Isles, and Orkey), and other relevant interests to explore the possibility of SAMs. In addition, monthly meetings are held at a local level between SG officials and local authority/health board officers.

4.1.6 A national workplan and timeline have also been developed, with the following key milestones in place:-

- September 2025 - local partners should aim to share first draft preferred models with the Scottish Government in September 2025. This should be accompanied by detailed plans mapping out next steps for inclusive policy development, including through extensive engagement with communities and relevant workforces. Draft preferred models should take into account the parameters guidance. In addition, they should make reference to the anticipated impact of reforms on progress against current, or refreshed, Joint Strategic Needs Assessments.

- December 2025 - In line with previous indicative milestones that have been shared, to support Ministerial and COSLA consideration, local

partners should submit detailed models to Scottish Government in December 2025.

The Scottish Government will be providing further information on the type and level of detail that local partners should submit in December 2025. The development of implementation plans will be heavily dependent on the preferred models identified, including what legislative change might be required to enable full implementation. This will be an iterative conversation between SG officials and local partners.

4.2 SAM SHORT LIFE WORKING GROUP (SLWG)

4.2.1 Given the increasing frequency of meetings held at a national level and the ongoing pace of development with regard to the development of a SAM, there was a need to put in place arrangements to allow officers to effectively engage and contribute to these meetings on an agile and flexible basis and to facilitate ongoing dialogue with elected members outwith the formal committee structure.

4.2.2 To this end, the Council agreed at their meeting held on 24th April 2025, to establish a SAM SLWG to act as a sounding board and take forward the development of alternative governance models for Argyll and Bute, including the identification of a preferred model, which can be used as the basis for further consultation.

4.2.3 Terms of reference were also agreed as follows:-

Membership

Core membership will be minimum of 6 elected members (to be appointed by Council, along with the positions of Chair/Vice Chair who will be Councillors), Chief Executive, and the Executive Director with responsibility for Legal and Regulatory Services (supported by other officers as appropriate).

Purpose / Role of the Group

The purpose of the SAM SLWG is to undertake the development of a preferred option(s) for a SAM for Argyll and Bute, to include, amongst other things:-

- Act as a sounding board / provide advice to the Council's representatives engaged at a national level, to enable them to effectively engage with and take forward work arising from the national workplan and timescales
- Examine and assess the current options identified
- Development of an engagement and consultation strategy/programme for key stakeholders
- Commentary and recommendations on all reports going to Policy and Resources Committee and Council

Meetings and Reporting

An agreed series of SAM SLWG meetings and reporting requirements as

follows:-

- The SLWG will provide update reports to the Policy and Resources Committee
- Recommendations will be made by the Policy and Resources Committee to the full Council in respect of any decision on the identification of a preferred option.
- Initial meetings of the SLWG to take place in May/early June to progress a review of current options

4.2.4 The SAM SLWG, as established in April, has met on two occasions – 16th May and 3rd June 2025. Following the SLWG held on 16th May, Officers met with colleagues from the HSCP and NHS Highland to continue a collaborative approach to this work and to update on the discussions/decisions taken at the SLWG. This included agreement to extend an invitation to appropriate NHS Highland non-executive Board members to future meetings of the SLWG.

4.2.5 A joint meeting of the SLWG was held on 1st September 2025. The main item of business was for local partners to consider the development work undertaken to date, including an appraisal of the models identified, with the aim of coming to an agreed position on a preferred model(s) for Argyll and Bute which can be reported to the SG by end September deadline. Further details on these discussions and the options is provided in sections 4.3 and 4.4 below.

4.2.6 An Officer led working group has also been established to drive forward this work and to facilitate the multi agency approach being adopted for this project. The core membership of this group includes senior officer representation from across the Council, HSCP and NHS Highland.

4.3 ASSESSMENT OF SAM MODEL OPTIONS

4.3.1 The Senior Officer Working Group and joint SLWG have worked together to consider a range of information in order to make a recommendation to the full Council and NHS board on options that could be considered further to develop a SAM.

This includes:

- Success to date of the current model of health and social care integration
- The case for change
- Potential benefits of moving to a SAM
- Principles and parameters to be considered in relation to assessing options for a SAM
- SAM options
- Assessment of the options proposed for a SAM for Argyll and Bute

A key document that has informed these discussions is included at appendix 2 – A Single Authority Model For Argyll and Bute – Overview of Key Principles and Models.

Successful Strategic Joint Working in Argyll and Bute

4.3.2 It has been acknowledged by both partners that health and social integration has delivered notable success through fostering good working relationships that enable collaboration and joined up strategic planning including:

i. Comprehensive Delegation: One of only two partnerships in Scotland to delegate all health and social care functions permitted by legislation, fostering close collaboration between Council and NHS Highland.
ii. Innovative Strategies for Older Adults: Development of targeted strategies for older people, promoting longer, healthier, and more independent lives.
iii. Effective Co-location of Services: Multiagency teams sharing premises in all localities, enabling daily collaboration, better care planning, and smoother hospital discharges.
iv. Flexible, Localised Care Models: Home care services tailored to the needs of different communities and closely connected with hospital pathways for the best outcomes.
v. Integrated Palliative and End-of-Life Care: Consistent, high-quality support delivered jointly by social care, district nursing, and community hospitals.
vi. Successful Joint Decision-Making: Examples such as the Kintyre Care Centre purchase demonstrate the positive impact of joint leadership and strategic working.
vii. Embracing Technology: Technology Enabled Care and digital strategies help deliver innovative solutions suited to the local geography.
viii. Community-Focused Planning: Place-based, co-productive assessments and planning ensure services reflect community needs and priorities.
ix. Prevention and Early Intervention: Long-term focus on tackling inequalities and promoting public health, particularly in the wake of the pandemic.
x. Integrated Children's Services: Fully joined-up approach from pre-conception through education, addressing child poverty and delivering on children’s rights.

Case for Change

4.3.3 A SAM offers the opportunity to consider wider and deeper integration across public sector organisations to improve outcomes for the people of Argyll and Bute. This includes considering integration of services and functions beyond health and social care as well as opportunities for improved sustainability of existing health and social integration including workforce and financial sustainability. Key points in relation to the case for change include:

i. Successes of Integrated Working: The Argyll and Bute HSCP has achieved positive outcomes across a wide range of regulated services, credited to fully integrated service delivery under the Public Bodies (Joint Working) (Scotland) Act 2014.

ii. Potential for a Whole System Approach: Expanding beyond clinical and care services to a whole system approach could build on current successes and support more comprehensive, place-based planning tailored to community needs.
iii. Strengthening National Policy Delivery: Enhanced arrangements would consolidate resources and capacity, enabling more effective influence and delivery of national policy, especially through a rural-focused lens.
iv. Workforce Attraction and Retention: All public sector organisations are committed to collaborating to attract and retain skilled workers, ensuring families have opportunities to grow, learn, work, and thrive locally.
v. Benefits of Full Integration: The full integration of permissible functions has already delivered many benefits, as outlined in previous successes, and provides a strong foundation for further improvement.

Benefits of a SAM

4.3.4 The potential benefits of a SAM are described in the paper included in Appendix 2 and can be grouped as follows:

4.3.5 Place based decision making and joined up strategic planning

- Tailored, Place-Based Reform: Adapts governance and decision-making to fit the unique needs of Argyll and Bute, avoiding 'one size fits all' models often imposed on rural or island areas.
- Enhanced Local Accountability and Democracy: Empowers locally accountable decision-makers with better knowledge of community needs and enables citizens to actively influence and participate in local democracy, fostering greater legitimacy and transparency.
- Expanded Democratic Participation: Increases opportunities for communities to scrutinise, analyse, and participate in public decision-making processes, enhancing the vibrancy of local democracy and accountability of service providers.

4.3.6 Improved service delivery and efficiency

- Improved Public Service Delivery: Aims to improve or at least maintain the quality of services despite financial constraints, aligning resources and priorities for more effective, joined-up service delivery tailored to community priorities.
- Efficient Use of Resources: Reduces duplication in management and supporting structures (e.g., multiple Chief Executives and corporate teams), enabling more efficient use of declining budgets while safeguarding vital public sector jobs and redistributing opportunities across the area.

4.3.7 Improving outcomes through wider integration

- Greater Integration Across Sectors: Facilitates joined-up working not just in health and social care, but also in housing, education, and other public

services, supporting comprehensive approaches to longstanding challenges such as depopulation, workforce retention, and the housing emergency.

- Potential for Improved Educational Outcomes: Opens possibilities for closer collaboration between schools and further/higher education (such as UHI Argyll), potentially improving learner outcomes and resource coordination.

4.3.8 These categories align well with the impact and outcomes included in Appendix 2 – Theory of Change Outcomes, developed by Scottish Government Officials to inform the national SAM work.

This could be summarised as: - more effective joined up strategic planning across a wider range of public sector services combined with improved efficiency, productivity and effectiveness to improve outcomes for people.

Principles and Parameters

4.3.9 The following principles were developed between the two partners to guide discussions on SAM options:

i. Brand identity and professional status are key considerations for the SAM, requiring the continued prominence and protection of the NHS brand while establishing a clear identity for the new partnership.
ii. Professional roles and their associated status must also be safeguarded, with transparent plans for workforce models and engagement with professional bodies at all levels.
iii. Governance structures, including clinical and care governance, would need to ensure professional accountability across partner organisations, whether through existing models or new organisational frameworks.
iv. Any move towards a single employer model would necessitate significant legislative changes, especially regarding staff terms and conditions, which would likely remain unchanged unless beneficial alternatives are provided.

4.3.10 In addition, the parameters developed by Scottish Government officials (set out at section 4.1.4 above and appendix 1) to ensure SAM options were compatible with the current legislative and policy context were taken into consideration, alongside the suite of public sector reform publications set out at section 4.1.3 above.

4.3.11 **SAM Options / Assessment**

The options for a SAM are set out within appendix 2. Detailed below is an overview of each option, together with an assessment of each one. Discussions to date have focussed on narrowing down the options for further exploration through considering:

- Alignment with the benefits of the concept SAM
- Compatibility with principles and parameters

- Risks and challenges

4.3.12 **Option 1 - Status Quo**

This option would be a continuation of the current structures with the retention of the Health and Social Care Partnership with governance through the Integrated Joint Board.

This option provides continuity, but offers limited options for shared services/ efficiency savings, and doesn't offer any change from the challenges currently experienced by partners.

Benefits
It was noted that Argyll and Bute Health and Social Care Partnership has maximised the scope of delegation within the current legislative context and delivered notable successes. This option could continue to deliver effectively for the people of Argyll and Bute and there may be opportunities to further improve placed based approaches to strategic planning joined up working with other agencies to improve service delivery.

There may be limited opportunities for improved service efficiency beyond the efficiency, productivity and effectiveness initiatives identified and progressed either jointly or within each partner organisation.

Principles and Parameters
This option would appear to be compatible with the principles and parameters.

Risks and challenges
This option minimises risks associated with disruption and significant structural change but potentially risks limiting the opportunity for realising the benefits envisaged for public sector reform and the SAM concept.

4.3.13 **Option 2 - Community Planning Plus**

This model would be based on the current Community Planning Model and would maintain separate organisations. It would give the opportunity to pool budgets and share resources, but employees and structures would remain separate. It would build on the provisions of the *Community Empowerment (Scotland) Act* 2015.

Benefits
This option does provide the opportunity for more efficient use of resources through pooling budgets and sharing resources along with aligned strategic planning which could improve service delivery and outcomes for people. There may be limited opportunities for wider integration within this model.

Principles and parameters
This option would appear to be compatible with the principles and parameters.

Risks and challenges
This option would retain independent organisations and governance structures with strategic planning undertaken and agreements to share resources made within the context of existing community planning powers. This could present a risk procedural disputes arising, meaning that developments could be delayed if one or more partners were not on board with a proposal.

4.3.14 **Option 3 - A New Integrated Authority**

This model would establish a new elected single legal entity which would have fully integrated service budgets, providing the opportunity for resource efficiencies and more shared services, and would be empowered by elected status to give clear and accountable leadership.

The Authority would create specific Boards or Committees which would provide the governance and decision-making structures required to ensure that resources and services are managed effectively.

Under this model, the Council would no longer exist and Council staff (as well as the staff from other partner organisations falling under the umbrella) would need to be moved over to the employment of the new Integrated Authority. This could lead to concerns about loss of identity, particularly for NHS staff.

This type of model would require a significant change to structures across most, if not all, public bodies.

It would also require a new scheme of public sector primary legislation to enable implementation.

Benefits
This option would involve significant structural change and would require extensive consultation to agree the design, operating parameters and legislative arrangements including considering governance and accountability arrangements for delegated functions to both councillors and Scottish Government ministers.

In that context it is possible this model would deliver benefits across the categories: Place based decision making and joined up strategic planning; Improved service delivery and efficiency; Improving outcomes through wider integration.

However, there are many uncertainties associated with this model that would need to be explored more fully to understand the specifics of the model and the associated benefits. This includes understanding whether wider integration beyond the current scope of health and social care integration and other agencies/functions is envisaged.

Principles and Parameters

This option does not appear to be compatible with the parameters that have been defined to guide development of the SAM model.

Risks and challenges

There are significant risks and challenges associated with this option including:

- Requirement for primary legislation to enact this model including accommodating NHS accountability to Scottish Ministers
- Timescales associated with fully designing, defining and agreeng this model including staff and community engagement
- Risks of significant disruption to existing health and social care integration which are noted to have achieved several successes
- Consideration of protection of arrangements for negotiating NHS terms and conditions which are currently agreed at national level in partnership with trade unions

4.3.15 **Option 4 - A Fully Empowered Local Board**

The starting point for this model would be strengthening the IJB and the functions delegated to it by partners (Council and NHS Highland). It could initially build on the existing synergies and effective partnership working demonstrated to date.

However, in an Argyll and Bute context, the maximum functions permissible under the 2014 Act have already been delegated to the IJB. As such, in order to build on existing successes of integration and go any further, the 2014 Act would need to be amended, or new primary legislation required, to expand the functions that could be delegated beyond health and social care (but with similar governance structures to the HSCP/IJB).

For example, a statutory housing partnership, further/higher education partnership, enterprise partnership etc… However, if new statutory partnerships were created for all those service areas it is appreciated this might result in a complex landscape of partnerships/boards, making it difficult for the public sector and public to navigate.

Benefits

This option would require amendments to the 2014 act but would offer the benefits associated with wider integration across the public sector to improve outcomes. It would maintain the current benefits of place based approaches and joint strategic planning within the IJB model and placed based but offer opportunities to enhance these benefits.

There is potential for improved service delivery through wider integration and potential for further efficiencies by working together as independent organisations within the IJB model.

Principles and Parameters
This option appears compatible with the principles and parameters.

Risks and challenges

There are risks and challenges within this option including:

- Further complexity of governance of more than two entities within the IJB model
- Limited opportunities for service efficiencies due to maintaining existing organisational structures

4.3.16 **Option 5 - Single Authority Partnership**

This model could be considered as a variant of the traditional Lead Agency arrangement (in place within Highland) under the banner of a “Single Authority Partnership”.

This could take effect by conducting a review of the current Integration Scheme (Under Section 45 of the 2014 Act), preparing a new Integration Scheme (under Section 47 of the 2014 Act), and subsequently through the use of Directions (issued under the 2014 Act).

There are two sub-options within this option: the council as the lead agency and the NHS board as the lead agency. Only the former has been considered as it is considered that the latter would not satisfy the requirements for local democratic accountability.

Under such a Strategic Lead Agency arrangement, there would be no transfer of staff – only functions and resources. Under these terms the Health Board would delegate all functions and resources to the Council, as Lead Agency, which could then:-

- redesign back office and business functions to secure maximum efficiency through a process of aggregation (e.g. the two asset management services coming together);

- provide direction back to the Health Board to deliver its functions in accordance with a Strategic Plan conceived to deliver maximum functional integration alongside Council services; and
- provide direction to the Health Board to devise operational arrangements that promote a single delivery agency.

In practice, a Health and Social Care Board or Committee could become the engine room for health and social care delivery, with a membership similar to the IJB if this was desirable - local Elected Members, NHS Non-Executive Directors, professional leads, carers, third sector, etc.

Benefits

This option could include the benefits of option 4 by including wider integration in the scope of the single authority partnership.

It does potentially offer benefits for greater efficiencies and productivity through redesign or consolidation of support functions that are not related to staff.

In addition there may be some advantages to the alternative governance arrangements that would replace the IJB as a legal entity and house the joint strategic planning and decision making structures, mechanisms and governance within the council.

Principles and Parameters

It is possible that this option could be compatible with the principles and parameters. However, further exploration would be required to understand the roles of the Chief Executive of the council and the Chief Executive of the NHS board in relation to accountability. Currently the chief officer of the HSCP is jointly accountable to both CEOs in line with the current legislation.

Other accountable officers including the NHS Board's Director of Finance, Director of Nursing, Midwifery and Allied Health Professionals, Director of Public Health and Medical Director also have a role in the current accountability and governance framework.

Any proposed changes to this accountability framework would need to be explored further to understand the implications on the parameters.

Risks

There are risks and challenges within this option including:

- Potentially complex arrangements for governance and accountability in relation to accountable officer roles
- Further complexity of governance if more than two entities are considered in order to extend the scope of integration of public bodies.

Preferred Options

4.3.17 The Joint Short Life Working Group supported by the senior officers group explored the options and the outcome of the discussion is summarised above in terms of relative advantages and disadvantages of each option. This has resulted in a recommendation from the SLWG that "*options 4 and 5 are reported to the Scottish Government by end September as the preferred models at this point in time subject to further investigation*".

This is on the basis that:

- There were potential benefits that could be achieved through both options
- Both options are potentially compatible with the principles and parameters agreed to guide the SAM work
- There are less risks and challenges associated with both options
- Further exploration would be required to determine the details of each option and further assess these options for the benefits, alignment with principles and parameters and assessment of the risks and challenges

Option 3 was discounted on the basis that:

- It is not compatible with the principles and parameters as currently defined
- the significant risks and challenges associated with this option

Option 2 was discounted on the basis that it appears to offer limited benefits and presents some level of risk and challenge.

4.4 OTHER CONSIDERATIONS/IMPLICATIONS

4.4.1 The Joint Short Life Working Group supported by the senior officers group also discussed other factors that should be considered as part of the further exploration of the options for a SAM. This includes:

4.4.2 <u>Resource requirements</u>

Additional resource may be required as an enabler and the capacity to support change and implement new models of integration needs to be evaluated and assessed against the risks and benefits.

4.4.3 <u>Future governance and role of NHS Highland</u>

It was noted that the two other areas considering a SAM have co-terminous councils and health board areas (Western Isles and Orkney). NHS Highland has a governance and accountability role across two council areas and consideration of the compatibility of a SAM for Argyll and Bute alongside the future model for Highland council is needed.

4.4.4 <u>Interface with other health boards</u>

It was considered that many services are provided by another health board, NHS Greater Glasgow and Clyde. In addition, the future relationship between NHS boards in the context of regional collaboration for NHS services involved in relationships between NHS Highland, NHS GGC, Western Isles and Orkney. These interfaces also should be considered in the context of a SAM for Argyll and Bute as we move forward.

4.5 PUBLIC SECTOR REFORM - INVEST TO SAVE FUND

4.5.1 As previously reported to the Council in April 2025, as part of the Cabinet Secretary for Finance's budget statement in December 2024 a £30m Invest to Save fund was launched. This initiative is aimed at funding reforms, driving efficiencies and improving productivity within public services. A bid for funding was submitted jointly by the Society of Local Authority Chief Executives (SOLACE) on behalf of a number of Councils who are currently exploring integrated authority models, including; Argyll and Bute, Eilean Siar, Orkney, North/East/South Ayrshire, Falkirk and Clackmannanshire Councils.

4.5.2 Following the submission of the bid in March, it has been confirmed that Argyll and Bute, Eilean Siar, and Orkney Councils have jointly received funding of up to £900K (£300K each), payable over financial year 2025/26, to support the development of SAMs within our respective areas.

4.5.3 Local partners in Argyll and Bute have been working together to identify potential areas of spend for the allocated £300k from the Invest to Save Fund. One of the key next steps in this process, should the recommendations of this report be agreed, is to develop an appropriate programme of consultation and engagement with all relevant stakeholders to obtain views on the proposals. On this basis it is proposed that an element of the Invest to Save Fund is utilised to undertake a joint commissioning exercise to secure external professional support to assist with this large scale engagement process. It is recommended, from a Council perspective, that authority is delegated to the Chief Executive and Executive Director with responsibility for Legal and Regulatory Support, in consultation with the Leader of the Council and the Policy Lead for Care Services, to utilise the Invest to Save Fund in accordance with the spend conditions set out by the Scottish Government.

4.5.4 Local partners will also continue to work in collaboration with the other two Councils to ensure the most efficient utilisation of the funds, particularly where there are common areas of support required to progress the development of a SAM.

5.0 CONCLUSION

5.1 Members are being asked to agree the recommendation from the SAM SLWG that options 4 and 5 are reported to the Scottish Government by end September as the preferred models at this point in time, subject to further investigation to support the development of detailed proposals. Members are also asked to agree that authority is delegated to the Chief Executive and Executive Director with responsibility for Legal and Regulatory Support, in

consultation with the Leader of the Council and the Policy Lead for Care Services, to utilise the Invest to Save Fund in accordance with the spend conditions set out by the Scottish Government.

6.0 IMPLICATIONS

6.1 Policy; currently none but with the potential for significant implications due to emerging national policies.

6.2 Financial; - exploration of a SAM will consider any financial implications arising. £300K has been allocated from the Invest to Save fund to support the project.

6.3 Legal; a review of all relevant legislation will be undertaken as part of the development of any options for a SAM. Depending on the preferred model identified, new legislation may be required.

6.4 HR; as the proposals develop there may be a requirement for additional resource to support this work.

6.5 Customer Service; it is proposed that an extensive consultation and engagement exercise is carried out to obtain feedback on the preferred options.

6.6 Risk; failure to explore options for the best model for our communities and influence the national development of reforms.

6.7 Climate Change; none.

6.8 Fairer Scotland Duty: none

6.9 Equalities - protected characteristics; none arising from this report

6.10 Consumer Duty; none arising from this report

6.11 Island Communities; none arising from this report

6.12 Children's Rights and Wellbeing; none arising from this report

7.0 APPENDICES

- Appendix 1 – Parameters
- Appendix 2 – A Single Authority Model for Argyll and Bute - Overview of Key Principles and Models
- Appendix 3 – Theory of Change – Impact and Outcomes

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5th September 2025

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SINGLE AUTHORITY MODELS: HIGH LEVEL GUIDANCE ON PLACE-BASED DECEMBER SUBMISSIONS [DRAFT]

Issued October 2025

FAO: Local Authorities, Health Boards and Integration Authorities in participating geographies [Argyll and Bute, Orkney, Western Isles]

Purpose

1. To provide guidance regarding the joint submission of a preferred detailed model by local partners in each participating geography to the Scottish Government in December 2025. **December submissions should take into account SAMs Information Note 2/2025.**

Local Governance

2. The Scottish Government expects that December submissions will have been considered by the appropriate Local Authority and Health Board local governance structures prior to formal **joint submission** to the Scottish Government.

3. Integration Authorities have a statutory duty to plan and direct the delivery of delegated functions. As it is anticipated that proposals could impact these functions, the views of Integration Authorities must be actively considered as part of the development process. The Scottish Government requires that the Local Authority and the Health Board evidence Integration Authority engagement in their December submissions. Where proposals impact delegated functions, the Integration Authority should either: a) be part of the local sign-off process, or b) have had the opportunity to formally discuss the December submission, with its views factored into the decisions taken by the Local Authority and Health Board.

4. Community Planning Partnerships should be sighted and provided the opportunity to offer feedback on proposals as the Local Authority and Health Board partners agree appropriate. Any relevant views from Community Planning partners should be reflected in the December submission.

5. Partners should aim to reach agreement locally. Scottish Government Public Service Reform and Health Planning officials should be made aware of any points of disagreement at the earliest possible opportunity. December submissions should highlight any areas still to be resolved and set out the proposed approach to finding compromise between partners.

Timing

6. The forward plan and SAMs Advice Note 2/2025 outlined that, following the submission of first draft preferred models in September 2025, local partners should then jointly submit a preferred detailed model in December 2025. We are unable to offer flexibility on the December deadline. It would be beneficial if local partners provide advance notice to the Scottish Government of when they plan to submit, based on local governance processes, for formal consideration.

7. In addition, Scottish Government officials would welcome early sight of partners' preferred detailed model in November 2025 to assist in preparing advice for Ministers ahead of formal submission in December.

Proposed Themes

8. SAMs Information Note 2/2025 outlined that final agreed detailed proposals should have a clear rationale and demonstration of benefits and the support of local communities and relevant staff groups. Annex A provides an overview of the themes that local partners are invited to consider when setting out a detailed model for their geography in December submissions.

9. Whilst it is recognised that participating geographies are at different starting points in joint policy development, partners in each place should aim to develop as comprehensive a December submission as local circumstances allow. A narrowing of options in each geography will support more effective communications and the development of plans for implementation.

10. Place-specific monthly check-ins with Scottish Government officials are an opportunity for local partners to provide updates on progress and highlight any issues. We recognise that there may be a requirement for variation in approach to policy development across geographies and would welcome any feedback on the proposed themes.

11. Submissions will inform material which the Scottish Government will seek to agree with local partners, in line with the Programme for Government 2025-26 commitment to publish preferred models for each of the participating geographies, including plans for implementation.

12. On receipt of submissions, lead Scottish Government officials will liaise with relevant policy teams and advise Ministers on the potential implications of locally-designed SAMs. Submissions will also be shared with COSLA for consideration.

13. As highlighted within SAMs Information Note 2/2025, partners should reference local Joint Strategic Needs Assessments when setting out the potential benefits of a preferred model. Local partners may also wish to draw on wider data to demonstrate the full potential of the proposed changes to improve outcomes for people and help to ensure long-term financial sustainability.

ANNEX A: PROPOSED THEMES FOR PLACE-BASED DECEMBER SUBMISSIONS

Strategic case

- Strategic context (incl consistency with plans for Service Renewal Framework, Population Health Framework, PSR Strategy)
- Objectives (including local Theory of Change)
- Summary of case for change
- Existing arrangements
- Summary of strategic needs assessment
- Summary of local engagement
- Potential scope and service requirements
- Key benefits and key risks
- Constraints and dependencies

Economic case

- Critical success factors including strategic needs assessment
- Shortlisted options, including:
- *Business as Usual (BAU)*
- *A realistic "do minimum" based on the core requirements for the project*
- *The recommended preferred way forward*
- *One or more possible options based on a more and/or less ambitious combinations of the preferred way forward.*
- Options appraisal of those options, must include: description, advantages, disadvantages and conclusions in terms of how well the option meets the agreed objectives and critical success factors for the project.
- Outline preferred way forward, including: scope, solution, service delivery, implementation and funding. Partners should also include as much detail as possible on the following:
- Accountability arrangements
- Workforce implications
- Summary of estimated budget implications (with further detail in the financial case)
- Implications for service delivery including future models of care
- Implications for assets

Commercial case

- Overview of community engagement
- Overview of staff engagement
- Equalities impacts
- Business impacts
- Summary of other impact assessments

Financial case

- Financial baseline
- Estimate financial overview of new model
- Estimate costs of transitioning/implementation costs
- [Notes: We recognise that it may not be possible to provide this information for the December milestone however ask the local partners consider the above themes if they are in a position to provide detail in relation to the financial case. If financial information is provided, where possible it should consider the following factors: any financial forecasts/plans will need to align to a realistic timeline and align to health planning; Optimism Bias will need to be added to any case; as well as costs, the financial case should also outline any benefits (for example productivity/efficiency).]

Management case

- Project governance/roles and responsibilities
- Implementation plan
- Any draft monitoring or evaluation plans
- Risk management

OPTIONS ASSESSMENT CRITERIA – AGREED BY SLWG 16/05/25

1. **Does the model provide scope for a place based approach to service delivery?**
   - Potential to deliver better services and outcomes for the people of Argyll and Bute, under a model that is tailored to the unique needs/priorities of the area.
   - Flexibility to adapt national policies and practices to fit the local context, rather than applying a one-size-fits-all approach
   - Integration of services allows for coordination of efforts across various agencies to increase co-produced services and innovative approaches to service delivery - resulting in better strategic decision-making structures.
   - Aligned vision, values and priorities for Argyll and Bute as a whole, across all bodies within the scope of a SAM, resulting in strong strategic planning in partnership.

2. **Does the model provide scope for**
   i. **a widening of the current scope of local democracy and the influence of democratically elected local members in relation to public sector functions?**
   ii. **greater democratic participation and local engagement in public sector functions?**
      - Influential decision making - a SAM could provide the opportunity to strengthen the democracy and accountability which is inherent in local government to include all services providing within a SAM, or by agencies with accountability to the SAM
      - Local planning and delivery of services under a SAM could provide a vehicle of opportunity for a widening of the current levels of democratic participation in the key decisions affecting communities.
      - The Democratic Renewable Principles which guide the Local Governance Review process as a whole, and the associated SAMs development state that decisions should be democratically accountable and taken at the lowest possible level or at the level closest to the people they affect, and that people should be able to influence decisions that affect them and trust in the decisions the people they elect (i.e. councillors) make on their behalf.

3. **Does the model provide scope to utilise revenue and capital budgets in a better and more efficient manner?**
   - Depending on the model, there are opportunities to make more efficient use of declining revenue and capital budgets – opportunity to pool resources from across all partners within the scope of a SAM, including utilisation of assets, creating a more coordinated approach / integrated budget management across all services.

4. **Does the model provide the opportunity to streamline/merge back office functions and organisational structures?**
   - A SAM could provide the opportunity to streamline duplication across organisational structures and functions, creating consistency of approach. SAM is not about losing vital jobs within the public sector, which are essential to population retention and growth, but there are likely to be crossovers in those functions that could produce efficiencies and provide better value for money at a time of continuing financial challenge.

5. **Does the model allow for**
   i. **The protection of Council and NHS identity/brand and protection for professional status and governance**
   ii. **Staff to remain on current terms and conditions, or would TUPE be required?**

- It is envisaged that any changes to existing governance arrangements will preserve vital elements, such as the value people place on the NHS, the important relationship they have with the Council and the ways in which professional identities instil pride in different workplaces.
- Important and sensitive issues such as brand identity and professional status will need to be considered carefully as part of any SAM proposals.
- Any SAM model which includes moving to a single employer/corporate structure would require fundamental changes to the relevant legislation, as well as the management of national terms and conditions, where these exist. TUPE many also need to be considered, depending on the model.

6. **Does the model provide flexibility to expand the scope?**
    - As a starting point the main focus of SAM exploration so far has been on those areas where developed synergies already exist (such as Health and Social Care) building on the current level of integration.
    - It is recognised that the scope of a SAM could be extended to include other public sector bodies.