

**Minute of Meeting of the
East Renfrewshire Integration Joint Board
Performance and Audit Committee
held at 9.00am on 27 June 2018 in
the Eastwood Health and Care Centre,
Drumby Crescent, Clarkston**

PRESENT

Morag Brown, NHS Greater Glasgow and Clyde Board (Chair)

Councillor Caroline Bamforth	East Renfrewshire Council
Janice Cameron	Integration Lead, Independent Sector
Councillor Barbara Grant	East Renfrewshire Council co-optee
Anne Marie Kennedy	Non-voting IJB member
John Matthews	NHS Greater Glasgow and Clyde Board
Councillor Paul O’Kane	East Renfrewshire Council

IN ATTENDANCE

Lesley Bairden	Head of Finance and Resources (Chief Financial Officer)
Kevin Beveridge	Commissioning and Contracts Manager
Michelle Blair	Chief Auditor, East Renfrewshire Council
Eamonn Daly	Democratic Services Manager (East Renfrewshire Council)
Liz Lyon	Senior Auditor, East Renfrewshire Council
Candy Millard	Head of Adult Health and Social Care Localities
Ross Mitchell	Senior Auditor, East Renfrewshire Council
Julie Murray	Chief Officer

ALSO IN ATTENDANCE

Paul Bonfanti	Audit Scotland
---------------	----------------

DECLARATIONS OF INTEREST

1. There were no declarations of interest in terms of Standing Order 9.2 – Codes of Conduct and Conflicts of Interest.

MINUTE OF PREVIOUS MEETING

2. The committee considered and approved the Minute of the meeting of 29 November 2017.

MATTERS ARISING

3. The committee considered a report by the Chief Officer providing an update on progress regarding matters arising from the discussions which took place at the meeting of 4 April 2018.

Having heard the Head of Adult Health and Social Care Localities confirm that the maximum charge for NHS dental treatment was £384, the committee noted the report.

ANNUAL REPORT AND ACCOUNTS 2017/18

4. The committee considered a report by the Chief Financial Officer providing an overview of the unaudited report and accounts for the IJB covering the period 1 April 2017 to 31 March 2018 as well as outlining legislative requirements and key stages associated with the approval of the annual report and accounts.

Having referred to the establishment of IJBs and the requirements, in accordance with Section 106 of the Local Government (Scotland) Act 1973, for annual accounts to be prepared in compliance with the Code of Practice on Accounting for Local Authorities in the United Kingdom, and also to additional guidance produced by the Local Authority (Scotland) Accounts Advisory Committee, the report set out an overview of the process for the preparation and approval of the IJB's annual report and accounts.

The report also highlighted the main messages from the annual report and accounts. In particular, reference was made to the lower than expected use of reserves to balance the 2017/18 revenue position, the benefit of operational underspends during the year, and support cost recharges from property costs.

The report also suggested the creation of a number of new reserves with the details of each being outlined.

Referring to the report and accounts, and having thanked colleagues for their support in the preparation of the accounts, the Chief Financial Officer highlighted a technical difference between the 16/17 and 17/18 accounts in relation to the treatment of hosted services, explaining the implications of this. In addition, she proposed that the funds received in March 2018 for specific purposes be carried forward into 2018/19 and used as appropriate during the year.

Full discussion followed in the course of which, in response to a question from Councillor Grant on reserves levels, the Chief Financial Officer confirmed that free reserves were less than 0.5% of the revenue budget, whilst earmarked reserves were less than 2% of the budget. She acknowledged that these levels were well below the target of 4% as set out in IJB policy, but that reserves took time to build up and had to be considered in the context of challenging financial circumstances and the need for savings to be delivered.

Mr Matthews suggested that every effort should be made to allocate reserves as IJBs sitting with large free reserves could potentially leave themselves open to challenges from their respective councils and health boards about levels of funding required. Supporting this approach, the Chief Financial Officer confirmed that the IJB held £4.8 million of reserves with only £300K being unallocated.

Acknowledging this information, Councillor Grant suggested that the purpose of reserves was to deal with unexpected matters that arose, and low levels of free reserves made that more of a challenge.

Thereafter, the committee:-

- (a) agreed that the unaudited annual report and accounts be remitted to the Integration Joint Board for approval;
- (b) endorsed the proposed reserves allocations, including the establishment of a new £500,000 earmarked reserve to deal with in-year pressures;
- (c) noted that the annual report and accounts were subject to audit review;
- (d) agreed to receive the audited annual report and accounts in September, subject to any recommendations made by the external auditor; and
- (e) agreed to remit the audit annual report and accounts to the Integration Joint Board in due course.

AUDIT ON IJB CODE OF GOVERNANCE

5. The committee considered a report by the Head of Finance and Resources (Chief Financial Officer) submitting for consideration a copy of the report prepared by the Chief Auditor following the Audit of the IJB Code of Governance, and seeking approval of the Code.

Having heard the Chief Financial Officer on how some of the recommendations were being addressed and the Chief Auditor and Senior Auditor on their findings, the Chief Officer referred in particular to issue of the auditors not being given access to health board information to allow appropriate review and opinion. This had been raised in various forums including by Chief Financial Officers across numerous IJBs.

Commenting on the report, Ms Brown questioned if it was appropriate for representatives from the Third and Independent sectors to be present at the Clinical and Care Governance Committee on occasions when potentially controversial matters concerning those sectors were being discussed, as this may be perceived as a conflict of interest.

In reply, and having heard Ms Cameron explain that although her post was funded by Scottish Care she had no direct links with any independent care providers, but that she would abide by any ruling on future membership, the Chief Officer explained that the membership of that committee would be subject to review in due course, but that she saw no issue with representatives from the Third and Independent Sectors being members of the committee.

The committee:-

- (a) noted the report; and
- (b) approved the IJB Code of Governance.

ANNUAL PERFORMANCE REPORT 2017/18

6. The committee considered a report by the Chief Officer providing details of the performance of the HSCP over 2017/18.

The report referred to the legislation and guidance setting out the prescribed content of a performance report for an integration authority, explaining that the Annual Report, a copy of which accompanied the report, was set out under the National Health and Wellbeing

Outcomes as well as those for Criminal Justice and Children and Families. Each section in the Annual Report contained an overview of national performance indicators, community planning, Council and Health Board indicators, as well as giving an overview of work undertaken to deliver the strategic planning priorities with some additional data where relevant.

The report further explained that the national performance indicators were grouped into 2 types of complementary measures; outcome measures and organisational measures explaining the source of each type of measure. Furthermore the report contained additional sections in relation to progress on the development of locality planning, the hosted Learning Disability Service; and the 2015-16 Strategic Plan review.

The Head of Adult Health and Social Care Localities was heard further on the preparation of the report highlighting that due to reporting timescales in respect of some data, the data in the report was not totally up to date and that a comprehensive picture should be available in September.

Full discussion followed in the course of which Councillor Grant highlighted the disappointing inspection grades in respect of Bonnyton House. This was acknowledged by both the Chief Officer and the Head of Adult Health and Social Care Localities who explained that the Care Inspectorate had introduced new inspection teams across the country and grades nationally had reduced. It was hoped to meet with both the Care Inspectorate and Scottish Care to discuss this. Notwithstanding, action plans had been developed to address the issues raised in addition to which additional management resource was being put in place which would help to drive improvement.

In response to comments from Councillor Bamforth on the poor performance in respect of waiting times for primary mental health services, the Chief Officer explained that a full review of the existing service model would be undertaken and that in the interim additional staff would be recruited.

Ms Monaghan having referred to the mental health initiatives contained in Moving Forward Together, Ms Brown welcomed the report and the areas of positive working that it showed. She highlighted that the areas of concern appeared to focus on mental health and care at home services.

Discussion also took place on the results of the national health and wellbeing survey which suggested and patients in the Levern Valley side of the East Renfrewshire had greater satisfaction levels than those in the Eastwood side, Mrs Kennedy suggesting that the closure of the Victoria Infirmary and the opening of the new Queen Elizabeth Hospital may have influenced the results.

Following further discussions on local services, the need for adequate local transport links, and the new Transport Bill going through the Scottish Parliament which it was hoped would tackle some of the existing challenges in relation to patient travel, the committee noted the report.

CONTRACTS AND EXCEPTIONS UPDATE

7. The committee considered a report by the Chief Officer providing information about direct spend through the HSCP's 2 framework contracts, as well as providing information in relation to exceptions to the Council's Contract Standing Orders which were used by the HSCP along with the business reasons for such exceptions.

Having set out the background to the introduction of the framework contracts, the reasons why exceptions could occur, and the process for reporting any exceptions that did occur, the report explained that £8.2 million had been spent on care at home including £3.1 million of care at home provided by the independent sector through the current care at home framework. Additional £11.5 million of spend was incurred through the care and support framework.

The report also highlighted that there had been exceptions in the region of £1million with details of the contractors involved and the reasons for the exceptions being provided.

The report also provided details of grant payments to suppliers totalling £1.7 million with an explanation of the reasons for the grant payment, and also provided details of spend via nationally procured social care frameworks in the sum of approximately £1.3 million.

The Contracts and Commission Manager was heard further on the report, in particular in relation to the reasons why exceptions were sought.

In response to comments by Councillor Grant he confirmed that future reports could include information in respect of the amounts spent with contractors on exceptions. In addition the Chief Auditor explained that the information in the report would be going to the Council later in the year and could be incorporated at that time.

Ms Brown having been heard on the need to drive down the use of exceptions, the committee noted the report.

STRATEGIC RISK REGISTER

8. The committee considered a report by the Chief Officer providing an update on the Strategic Risk Register, a copy of which accompanied the report.

Having referred to the agreed monitoring policy that required a bi-annual update of the register to be submitted to the committee, the report provided further details in respect of those risks contained in the register and the category attached to each.

Commenting on the report, the Chief Financial Officer confirmed that despite the better than expected financial settlement financial sustainability it had been considered prudent for this still to be classified a high risk.

Mr Matthews referred to the recent decision of the Council to grant planning permission for a care village in Newton Mearns and to the implications for the HSCP.

Councillor Bamforth having been heard further on the background, the Chief Officer acknowledged that the new care village would be a challenge, but reminded the committee that a lot of other development was also taking place in the area which also placed demands on services. She explained that the Council was adept at taking account of increased service demand due to population growth when compared to the NHS and that this needed to change in terms of resourcing and local impact. Furthermore she clarified that the inability of planning authorities to take increased service demand into account when considering planning applications would be raised through COSLA.

Ms Brown having highlighted the need for recognition of the impact on service provision of population increases, with the associated increased resource requirement, the committee noted the report.

10
NOT YET ENDORSED AS A CORRECT RECORD

CAREFIRST FINANCE SYSTEM AUDIT REPORT

9. The committee considered a report by the Chief Officer an update on confirmation of the closure of the Council internal audit report on Payments to Care Providers and the report and action plan from the audit of the Carefirst Finance System.

The Chief Financial Officer having been heard further in the course of which she acknowledged the help and assistance received from officers in the HSCP Finance Team and also Liz Lyon, Senior Auditor, Ms Brown referred to the proposal in the report that no further updates be brought to committee unless there were significant issues. She suggested that for the first year a twice yearly update report be submitted to the committee and that thereafter issues be reported on a by exception basis.

Referring to the issue of lack of capacity for annual reviews for individual clients, Ms Brown suggested that further thought be given to introducing a review process where reviews were carried proportionate to the level of risk.

The Chief Financial officer having confirmed that this could be looked at in further detail, the committee:-

- (a) noted the report; and
- (b) agreed that for the first year a twice yearly update report be submitted to the committee and that thereafter issues be reported on a by exception basis.

DATE OF NEXT MEETING

9. It was reported that the next meeting of the committee would take place on Wednesday 26 September 2018 at 9am in the Eastwood Health and Care Centre, Clarkston.

CHAIR