

**Minute of virtual meeting of the  
East Renfrewshire Integration Joint Board  
Performance and Audit Committee  
held at 9.00am on 22 June 2022**

**PRESENT**

Anne-Marie Monaghan, NHS Greater Glasgow and Clyde Board (Chair)

Lynsey Allan	Scottish Care
Councillor Caroline Bamforth	East Renfrewshire Council
Jacqueline Forbes	NHS Greater Glasgow and Clyde Board
Anne Marie Kennedy	Non-voting IJB member

**IN ATTENDANCE**

Liona Allison	Assistant Committee Services Officer (East Renfrewshire Council)
Lesley Bairden	Head of Finance and Resources (Chief Financial Officer)
Michelle Blair	Chief Auditor (East Renfrewshire Council)
Eamonn Daly	Democratic Services Manager (East Renfrewshire Council)
Pamela Gomes	Governance and Compliance Officer
Tom Kelly	Head of Adult Services – Learning Disability and Recovery
Ian McLean	Accountancy Manager
Julie Murray	Chief Officer – IJB
Margaret Phelps	Strategic Planning, Performance and Commissioning Manager
Steven Reid	Policy, Planning and Performance Manager
Louisa Yule	Audit Scotland

**DECLARATIONS OF INTEREST**

1. There were no declarations of interest intimated.

**MINUTE OF PREVIOUS MEETING**

2. The committee considered and approved the Minute of the meeting of 16 March 2022.

**MATTERS ARISING**

3. The committee considered and noted a report by the Chief Officer providing an update on matters arising from discussions that had taken place at the previous meeting.

**ROLLING ACTION LOG**

4. The committee considered a report by the Chief Officer providing details of all open actions and those that had been completed, or removed from the log, since the last meeting.

Having heard the Chief Financial Officer explain that action 32 had now been superseded by action 35 on the log, the committee noted the report.

**AUDIT SCOTLAND ANNUAL AUDIT PLAN**

5. The committee took up consideration of the Audit Scotland Annual Audit Plan for 2021-22.

The Plan summarised the work plan for Audit Scotland's 2021/22 external audit of the Integration Joint Board highlighting that the main elements of work included an evaluation of the key controls within the main accounting systems; an audit of, and provision of an Independent Auditor's Report; an audit opinion on regularity and other statutory information published within the annual report and accounts including the Performance Report, the Governance Statement and the Remuneration Report; consideration of arrangements in relation to the audit dimensions: financial management, financial sustainability, governance and transparency and value for money that frame the wider scope of public sector audit; and consideration of Best Value arrangements.

Ms Monaghan introduced Louisa Yule from Audit Scotland who was heard further on the plan. In particular she referred to planning materiality levels which had been set at 1.5% of gross budgeted expenditure for 2021/22 with this being reviewed on receipt of the financial statements.

Reference was also made to one significant risk of material misstatement to the financial statements. However it was clarified that this was a risk that was included in all Audit Scotland's audit plans.

She explained that due to the nature of the risk, management were not able to provide any assurances against it. Audit Scotland gained their assurance through testing of the parts of the accounts that were viewed by them as being susceptible to management override, for example areas where management may have to exercise judgement. Audit Scotland's work in this area would focus on assessing any changes to the assumptions and estimates used to prepare the financial statements and also through written assurances from partner bodies' auditors.

In relation to reporting arrangements, Ms Yule explained that the COVID pandemic had impacted on the delivery and timing of audit work and that the Audit Scotland management team had decided to use this year as a transitional year with the aim of returning to pre-pandemic audit timescales in 2022-23. To support this a prioritisation programme based on the statutory deadlines had been out in place.

As outlined in the report the target date for completing the audit was 31 October 2022. However, since the preparation of the annual audit plan the Local Government Finance Circular had been issued in May. This extended the statutory deadline for audited accounts to November 2022.

Since agreeing the plan Audit Scotland had continued to refine their resourcing position and looked to complete the audit work for the Integration Joint Board by the target date of 31 October albeit with final sign off of the accounts likely to be in November.

In addition Ms Yule explained that John Cornett, the appointed auditor for the IJB, had been appointed to the role of Executive Director of Audit Services. As a consequence he was stepping away from his audit delivery role. His successor would join Audit Scotland in mid-August. Given this change Audit Scotland would not be in a position to meet the September committee meeting date with the accounts as there were a number of auditing standard requirements that the incoming Audit Director would have to fulfil prior to certifying the accounts.

Discussions on timings and arrangements would continue with the Chief Financial Officer over the summer and work to achieve the completion of the audit within October with the accounts and audit report being taken to the November committee meeting would be ongoing.

Ms Forbes expressed concerns regarding the timescales for the completion of the audit in response to which both Ms Yule and the Chief Financial Officer confirmed that the timetable for East Renfrewshire IJB was not changing and that it had always been planned for the accounts to be signed off in November. Furthermore, in response to further questions from Ms Forbes, it was confirmed that the change in external auditor would have no impact on the audit of the accounts.

Commenting on Exhibit 4 of the plan in relation to audit dimension risks, Ms Monaghan emphasised that financial sustainability was not a new risk; that whilst the IJB appeared to be well-resourced most of the funding was earmarked, and therefore the financial challenges ahead should not be underestimated.

The committee noted the audit plan.

## **UNAUDITED ANNUAL REPORT AND ACCOUNTS 2021-22**

**6.** 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 2021 to 31 March 2022. The report also outlined 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 highlighted the main key messages. There was a year-end underspend of £0.837 million which was 0.54% of the annual revenue budget and which was marginally better than the position last reported in March when the projected outturn was an underspend of £0.554 million; COVID-19 spend had been £8.945 million with funding of £15.066 million being received and the balance taken to reserves.

The main variances to the budget were set out in the report. In addition, it was reported that reserves had increased significantly during the year to £20.752 million as at 31 March 2022. This increase was in line with the national position the vast majority of which related to Scottish Government ring-fenced funding. £11,933 million had been received during the year for ring-fenced activity with £3.153 million being used. It was clarified that this funding could only be spent on specified initiatives, that the majority of the increase related to COVID-19 and would support the ongoing response to the pandemic in 2022/23.

The year on year movement in reserves was summarised. It being noted that during the year £0.785 million of earmarked reserves had been used with a further £2.272 million added. Approval for the reserves position as set out in the annual report and accounts was sought.

It was noted that the general reserve remained unchanged at £0.272 million, just under 0.15% of the 2021/22 revenue budget and well below the optimum level at a value of 2% of budget.

The Chief Financial Officer was heard further on the annual report and account. She highlighted that it had been another complex year with continued Covid-19 cost returns as well as new funding streams which led to a significant increase in cash flow of over £15 million in the final quarter of the year.

The main variances were set out in the report and were in line with previous reporting, an underspend in older peoples nursing, residential and day services offsetting the overspend in care at home. There was also a continuing underspend within Learning Disability community services.

In relation to the reserves, she reminded members that an increase in reserves had been reported during the year. The opening reserves balance had been £10.485 million of which £3.937million was spent. A further £14.204 million was added so subject to audit the reserves balance was £20.752 million. Whilst this was significant over £13 million was ringfenced for Scottish Government initiatives and could only be used for those purposes. She clarified that the increase in reserves very much mirrors the national position and the vast majority of this relates to Scottish Government ring-fenced funding as summarised the report. The main increase in East Renfrewshire was COVID-19 funding to be used for costs in 22/23 in the continued pandemic response.

Whilst some new reserves had been requested and approved agreed during the year further approval was being sought for new reserves to be reflected in the annual report and accounts.

Reference was also made to the unchanged general reserve which at under 0.2% of budget remained well below the policy level of 2%. This had previously been recognised and discussed at length in prior years and given continuing financial challenges there was no resource to invest in general reserves.

The Chief Financial Officer clarified that the set aside budget for the previous year 2020/21 had been restated based on information provided by colleagues at NHS GGC as costs relating to The Royal Hospital for Children had been included. This restatement showed a reduction of £0.148 million and against the restated figure of just over £28 million and was not material. This had nil impact on IJB balances as is it remains notional.

Additional cross reference and triangulation checks in the annual accounts working papers for 2021/22 had been included. This had identified a cost decrease in some of the hosted services, shown at note 4 to the accounts. For some of these services COVID-19 related expenditure was included in 2020/21 but not included for 2021/22.

So whilst this note is for information only and has no impact on the bottom line it does mean the comparison year on year is not like for like. Discussion was ongoing with CFO peers and if required the note will be revised for the final report.

The opinion of both Audit Scotland and the IJB Chief Auditor would be included in the final report, scheduled to come to committee and the Board in November, subject to any changes in meeting cycle dates.

Finally the Chief Financial Officer thanked her staff for the work undertaken by them in preparing the accounts.

Thereafter the Chief Financial Officer responded to questions from Councillor Bamforth and Ms Monaghan in the course of which she clarified the position regarding the use of ring-fenced reserves, confirmed that there would be no further COVID funding from the Scottish Government, and that at this stage it was not clear whether or not the Scottish Government would look to reclaim any unspent COVID funding.

The Chief Financial Officer then commented further on some of the reserves available and explained in response to Ms Forbes that it was possible for the IJB to reallocate non-ringfenced funds that had already been earmarked.

Having heard the Chief Financial Officer confirm that additional winter funding would be provided this year the committee agreed to recommend that the Board:-

- (a) approve the unaudited annual report and accounts;
- (b) approve the proposed reserves allocations;
- (c) note that the annual report and accounts was subject to review;
- (d) agree to receive the annual report and accounts in November, subject to any recommendations made by the external auditor and/or the committee.

### **2021-2022 END-YEAR PERFORMANCE UPDATE AND POSTPONEMENT OF ANNUAL PERFORMANCE REPORT - QUARTER 3**

7. The committee considered a report by the Chief Officer advising of the postponement of the publication of the 2021-22 Annual Performance Report and providing a summary update of key performance for 2021-22.

Having referred to the legislative requirement for Integration Joint Boards to publish Annual Performance Reports, and to temporary legislative changes in relation to the timescales for the publication of such reports, the report explained that given the volume of work required for a full review of performance and activity during 2021-22, and specifically the requirement for input to the review from partners and services, publication of the Annual Performance Report had been postponed until 31 August 2022 with a draft report being submitted to the next meeting of the IJB on 10 August for approval.

In the interim, summary information was provided relating to performance measures set out under the strategic priorities in the HSCP Interim Strategic Plan 2021-22.

The report made particular reference to the unprecedented challenge faced by the HSCP in responding to the COVID-19 pandemic highlighting that during the pandemic period staff across the HSCP had responded with incredible commitment and had adapted to new ways of working; continuing to maintain and deliver safe and effective services to residents. As the pandemic had continued the workforce was becoming increasingly fatigued and a significant focus was being placed on supporting staff health and wellbeing.

Despite progressing recovery during the year, the emergence of the Omicron variant during the winter months had a significant impact on progress. The HSCP and partner organisations experienced increased staff absence with resulting pressures within the health and social care system. There had also been significant recruitment and retention challenges in the sector impacting on performance. Notwithstanding, the data showed that despite the continuing pressures of the pandemic there had been strong performance across service areas. Throughout the period there had been excellent collaboration across the HSCP and with independent, third and community sector partners, with many positive signs of recovery across many performance indicators.

The Policy, Planning and Performance Manager was heard in further explanation of the report drawing to the committee's attention a number of performance highlights as well as areas where steps to seek improvement would continue, following which full discussion took place.

Councillor Bamforth referred to the reduction in The Child and Adolescent Mental Health Service (CAMHS) referrals and the increase in referrals to Family Wellbeing Service, welcoming that children were now more likely to be referred to appropriate services. However she commented on anecdotal information suggesting that delays to accessing the Family Wellbeing Service were increasing and if it was not just a case now of delays being spread across more services.

In reply the Chief Officer indicated that she would look into the matter. She also suggested that it might be helpful to bring to the committee information that had been presented to the Chief Executives of East Renfrewshire Council and NHSGGC as part of the HSCP end of year performance review.

Ms Monaghan suggested it was no surprise to see increased service demand. In relation to the way in which the information was presented, she suggested it would be helpful to see plotting of targets as this would make the information presented easier to understand.

The committee noted:-

- (a) that the publication date for the 2021-22 Annual Performance Report had been postponed to 31 August 2022; and
- (b) the End-Year Performance Update for 2021-22.

## **SPECIALIST LEARNING DISABILITY IN PATIENTS SERVICE PERFORMANCE REPORT**

8. The committee considered a report by the Chief Officer providing performance data on Specialist Learning Disability Inpatient Services, with a particular focus on admission and discharge activity from 1 January 2021 to 31 December 2021. This service was hosted by East Renfrewshire HSCP on behalf of NHS Greater Glasgow and Clyde.

It was explained that the report focussed on activity relating to the Assessment and Treatment Services (Blythswood House and Claythorn House) which had 27 beds across the two sites. The service was available to people with a learning disability residing in 9 Health and Social Care Partnerships, 6 of which lay within the NHS Greater Glasgow and Clyde boundary and a further 3 outwith NHS Greater Glasgow and Clyde area which were provided via service level agreements.

It was further explained that the data in the report had been collected from the bed management and patient management systems; EMIS and TrakCare. There were some limitations in the data provided due to patients admitted in the previous years but not yet discharged being included in the report. There was also missing data for the number of individuals appropriately admitted to mental health care, who had not needed specialist learning disability inpatient care.

The report highlighted some key performance related messages following which it provided an overview of activity in 2021.

The Head of Adult Services – Learning Disability and Recovery was then heard further on the report.

Ms Monaghan highlighted that the report covered a calendar rather than financial year, that this was at odds with most other performance plans and asked it steps could be taken to make sure that the reporting period be adjusted accordingly. In addition, Thereafter she expressed disappointment at the number of in patients without a placement. This was echoed by Councillor Bamforth. She further noted that Glasgow HSCP had the largest number of in

patients in this category and enquired what East Renfrewshire HSCP as service host could do to support them.

In reply the Head of Adult Services – Learning Disability and Recovery explained some of the work that East Renfrewshire as host undertook to support other HSCPs using the service. This included widely sharing examples of good practice amongst HSCPs. Also commenting, the Chief Officer reported that conversations regarding this issue had taken place with the Chief Executive of NHS Greater Glasgow and Clyde. She further clarified that whilst East Renfrewshire HSCP could influence the activities of other HSCPs, it could not control them.

It was suggested that it would be useful for the report to be updated and thereafter shared with other HSCPs.

The Head of Adult Services – Learning Disability and Recovery having explained in response to Mrs Kennedy that Netherton was still scheduled to close, leaving Claythorn and Blythwood House, Ms Forbes referred to the increase in admissions due to challenging behaviour alone and questioned the reasons for this and what was being done to address it. In reply the Head of Adult Services – Learning Disability and Recovery acknowledged that there was no doubt the pandemic had been a contributory factor in the increase. In addition, responding to Ms Monaghan, he explained the staff infrastructure in place to help prevent hospital admission.

Thereafter Ms Monaghan proposed that an updated version of the report, with the reporting timescales adjusted, be prepared and submitted to the Integration Joint Board for consideration and thereafter sent to the Performance and Audit Committees of other HSCPs that used the service.

The committee:-

- (a) noted the report; and
- (b) agreed that an updated report be submitted to the Integration Joint Board and thereafter sent to the Performance and Audit Committees of other HSCPs that used the service.

## AUDIT UPDATE

9. Under reference to the Minute of the previous meeting (Item 8 refers), the committee considered a report by the Chief Officer providing an update on new audit activity relating to the IJB and HSCP since last reported to the committee in March 2022, and summarising all open audit recommendations. Accompanying the report were a series of appendices. These contained information regarding audit activity relating to the IJB and HSCP; and information on recommendations from previous audits. Summary information in relation to the appendices was contained in the report

Commenting on the report, the Head of Finance and Resources (Chief Financial Officer) explained that since March a lot of follow up work had been carried out, that it had not yet been finalised, but it was anticipated that this work would be complete prior to the next meeting in September.

Having commented on some of the new reports, the Head of Finance and Resources (Chief Financial Officer) referred to the constraints on the Chief Auditor's service but they were working collaboratively to progress matters. It was noted that the Chief Auditor would bring the audit plan to the committee in September.

Ms Forbes acknowledged the progress that had been made. She highlighted the number of audit recommendations where the associated comments suggested that reminders would be issued to managers and questioned what steps were taken to ensure managers did comply with the advice issued in reminders.

In reply the Head of Finance and Resources (Chief Financial Officer) acknowledged the comments and that steps would be taken for this to become a standing item on management team meeting agendas. In addition, the Chief Auditor explained that her staff did conduct follow ups and whether or not recommendations were complied with was examined as part of that. Ms Forbes suggested that some further comment be added to reports to confirm whether managers had complied with recommendations.

The committee noted the report.

## **POLICY UPDATE**

**10.** The committee considered and noted a report by the Chief Officer providing details of a number of policy documents relating specifically to the governance of the IJB. The report contained a table showing each of the policy documents, when they had been approved by the IJB, when last considered by the committee if at all, and any review cycle. The report advised that of the documents listed, 6 would be submitted to the September meeting of the committee for review.

## **IJB STRATEGIC RISK REGISTER UPDATE**

**11.** Under reference to the Minute of the previous meeting (Item 9 refers), the committee considered a report by the Chief Officer providing an update on the Integration Joint Board Strategic Risk Register. A copy of the risk register accompanied the report.

Having set out the risk matrix used to calculate risk scores, the report then referred to the meeting of the committee on 16 March 2022 and explained that since then no new risks had been added; no existing risks had been removed, one risk score relating to *Workforce Planning and Change* had been increased, and 1 risk score relating to *In-House Care at Home Service* had been reduced.

Ms Monaghan suggested that in light of the earlier discussions around hosted services, this should appear as a risk on the register, specifically in relation to reputational risk associated with service failure and also risk to individual service users. The Head of Adult Services – Learning Disability and Recovery explained that the service did have an operational risk register and the Chief officer confirmed this would be reviewed to establish the best place for the risk to be recorded.

Ms Monaghan recognised that the service would have an operational register but it was important for the committee to have sight of the risk. As such the strategic register would be best placed to deliver this.

The Head of Finance and Resources (Chief Financial Officer) highlighted that financial sustainability remained a high risk post-mitigation and that financial risks were reported to the Board through the regular revenue budget monitoring reports.

Ms Forbes commented on the 3 whole time equivalent consultant vacancies referred to in the report. She suggested this was a major risk and that it did not appear to be reflected in the risk register. She also suggested a review of the likelihood and impact scores of two of the risks listed.



Responding to Ms Forbes the Head of Finance and Resources (Chief Financial Officer) explained that the consultant vacancies was reflected in the workforce planning risk and that she would review the scoring as suggested by Ms Forbes.

The committee noted the report.

**DATE OF NEXT MEETING**

**12.** It was reported that the next meeting of the committee would take place on Wednesday 21 September 2022 at 9.00am.

CHAIR

BLANK PAGE