

REPORT TO: East Lothian Integration Joint Board

MEETING DATE: 28 January 2016

BY: Chief Officer

SUBJECT: Changes to the Standing Orders of the East Lothian Integration Joint Board

1 PURPOSE

- 1.1 To seek the approval of proposed changes to the East Lothian Integration Joint Board (the 'IJB') Standing Orders to include the terms of reference for the newly created Audit & Risk Committee.

2 RECOMMENDATIONS

- 2.1 The IJB is asked to approve the changes to the Standing Orders as outlined in paragraph 3.3 of the report.

3 BACKGROUND

- 3.1 In terms of The Public Bodies (Joint Working) (Integration Joint Boards) (Scotland) Order 2014 ('the Order'), Integration Joint Boards must make standing orders to regulate its business. The Standing Orders for the East Lothian Integration Joint Board were approved at the IJB's meeting on 1 July 2015.
- 3.2 Arrangements for the creation of the Audit & Risk Committee were outlined in a report to the IJB which was considered at its meeting on 29 October 2015. The membership and terms of reference for the Committee were approved by the IJB as part of its Financial Regulations. The first meeting of the Audit & Risk Committee took place on 21 January 2016 and further meetings are planned for 10 February and 31 March.
- 3.3 While the Standing Orders of the IJB allow for the appointment of such committees and working groups as it thinks fit, changes are required to

include a Scheme of Administration outlining the terms of reference for each committee of the IJB. The proposed changes are tracked on the IJB's current Standing Orders which are attached as Appendix 1 to this report.

4 POLICY IMPLICATIONS

4.1 There are no policy implications arising from this report.

5 EQUALITIES IMPLICATIONS

5.1 There are no equalities issues arising from this report.

6 RESOURCE IMPLICATIONS

6.1 There are no resource implications arising from this report.

7 BACKGROUND PAPERS

7.1 'Governance of the East Lothian Integration Joint Board' – report to the IJB meeting on 1 July 2015.

7.2 'Financial Regulations for the IJB and Creation of Audit & Risk Committee' – report to the IJB meeting on 29 October 2015.

AUTHOR'S NAME	Fiona Currie
DESIGNATION	Committees Assistant – East Lothian Council
CONTACT INFO	01620 827586 fcurrie@eastlothian.gov.uk
DATE	18 January 2016

**STANDING ORDERS
EAST LoTHIAN INTEGRATION JOINT BOARD**

1 General

- 1.1 These Standing Orders regulate the conduct and proceedings of the East Lothian Integration Joint Board. The Integration Joint Board is the governing body for what is commonly referred to as the East Lothian Health & Social Care Partnership. These Standing Orders are made under the Public Bodies (Joint Working) (Scotland) Act 2014 and the Public Bodies (Joint Working) (Integration Joint Boards) (Scotland) Order 2014 (No 285) (“the Order”). The Integration Joint Board approved these Standing Orders on 1 July 2015.

Membership of the Integration Joint Board

- 1.2 The Integration Joint Board shall have two categories of members:
- (i) Voting Members; and
 - (ii) Non-Voting Members
- 1.3 East Lothian Council and Lothian NHS Board have elected to nominate 4 members each to the Integration Joint Board, who shall be the voting members.
- 1.4 The Order prescribes a list of non-voting members who are to be included in the membership, and these members shall be appointed as described by the Order. The Integration Joint Board may appoint additional non-voting members as it sees fit.
- 1.5 East Lothian Council and the Lothian NHS Board shall also attend to any issues relating to the resignation, removal and disqualification of members in line with the Order. If and when a voting member ceases to be a councillor or a member of the NHS Board for any reason, either on a permanent or temporary basis, then that individual ceases to be a member of the Integration Joint Board.
- 1.6 If a voting member is unable to attend a meeting of the Integration Joint Board, the relevant constituent authority is to use its best endeavours to arrange for a suitably experienced substitute, who is either a councillor, or as the case may be, a member of the health board. The substitute voting member may vote on decisions put to that meeting, but may not preside over the meeting. If a non-voting member is unable to attend a meeting of the Integration Joint Board, that member may arrange for a suitably experienced substitute to attend the meeting subject to prior agreement with the Chair.

2 Varying, Revoking or Suspending Standing Orders

- 2.1 Any statutory provision, regulation or direction by Scottish Ministers shall have precedence if they are in conflict with these Standing Orders.
- 2.2 Any one or more of these Standing Orders may be varied, suspended or revoked at a meeting of the Integration Joint Board following a motion moved and seconded and with the consent of the majority of voting members present and voting, provided the notice for the meeting at which the proposal is to be considered clearly indicates that there is a proposal to amend the standing orders, and the proposal itself does not result in the Integration Joint Board not complying with any statutory provision or regulation.

3 Chair

- 3.1 The Chair of the Integration Joint Board will be appointed in line with the terms agreed within the Integration Scheme and the Order. The Chair will preside at every meeting of the Integration Joint Board that he or she attends.
- 3.2 If both the Chair and Vice Chair are absent, the voting members present at the meeting shall choose a voting Integration Joint Board member to preside.

4 Vice-Chair

- 4.1 The Vice-Chair of the Integration Joint Board will be appointed in line with the terms agreed within the Integration Scheme and the Order.
- 4.2 In the absence of the Chair the Vice-Chair shall preside at the meeting of the Integration Joint Board.

5 Calling and Notice of Integration Joint Board Meetings

- 5.1 The first meeting of an Integration Joint Board is to be convened at a time and place determined by the Chair.
- 5.2 The Chair may call a meeting of the Integration Joint Board at any time. The Integration Joint Board shall meet at least six times in the year and will annually approve a forward schedule of meeting dates.
- 5.3 A request for an Integration Joint Board meeting to be called may be made in the form of a requisition specifying the business to be transacted, and signed by at least two thirds of the number of voting members, and presented to the chair. If the Chair refuses to call a meeting, or does not do so within 7 days of receiving the requisition, the members who signed the requisition may call a meeting. They

must also sign the notice calling the meeting. However no business shall be transacted at the meeting other than that specified in the requisition.

5.4 Before each meeting of the Integration Joint Board, a notice of the meeting (in the form of an agenda), specifying the date, time, place and business to be transacted and approved by the Chair, or by a member authorised by the Chair to approve on that person's behalf, shall be delivered electronically to every member (e.g. sent by email) or sent by post to the members' usual place of residence so as to be available to them at least five clear days before the meeting. The notice shall be distributed along with any papers for the meeting that are available at that point.

5.5 With regard to calculating clear days for the purpose of notice:

Delivery of the Notice	Days excluded from the calculation of clear days: <ul style="list-style-type: none">✓ The day the notice is sent✓ The day of the meeting✓ Weekends✓ Public holidays <p>Example: If a meeting is to be held on a Tuesday, the notice must be sent on the preceding Monday. The clear days will be Tuesday, Wednesday, Thursday, Friday, and Monday. If the notice is sent by post it must be sent out a day earlier.</p>
------------------------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

5.6 Lack of service of the notice on any member shall not affect the validity of a meeting.

5.7 Integration Joint Board meetings shall be held in public. The Chief Officer shall place a public notice of the time and place of the meeting at the designated office of the Integration Joint Board at least five clear days before the meeting is held. The designated office of the East Lothian Integration Joint Board is John Muir House, Haddington.

5.8 While the meeting is in public the Integration Joint Board may not exclude members of the public and the press (for the purpose of reporting the proceedings) from attending the meeting.

5.9 The Integration Joint Board may pass a resolution to meet in private in order to consider certain items of business, and may decide to do so for the following reasons:

- 5.9.1 The Integration Joint Board is still in the process of developing proposals or its position on certain matters, and needs time for private deliberation.
- 5.9.2 The business relates to the commercial interests of any person and confidentiality is required, e.g. when there is an ongoing tendering process or contract negotiation.
- 5.9.3 The business necessarily involves reference to personal information, and requires to be discussed in private in order to uphold the Data Protection Principles.
- 5.9.4 The business necessarily involves reference to exempt information, as determined by Schedule 7A of the Local Government (Scotland) Act 1973.
- 5.9.5 The Integration Joint Board is otherwise legally obliged to respect the confidentiality of the information being discussed.
- 5.10 The minutes of the meeting will reflect the reason(s) why the Integration Joint Board resolved to meet in private.
- 5.11 A member may be regarded as being present at a meeting of the Integration Joint Board if he or she is able to participate from a remote location by a video link or other communication link. A member participating in a meeting in this way will be counted for the purposes of deciding if a quorum is present.

6 Quorum

- 6.1 No business shall be transacted at a meeting of the Integration Joint Board unless there are present at least one half of the voting members of the Integration Joint Board.
- 6.2 If a quorum is not present, the meeting will stand adjourned to such date and time as may be fixed by the Chair.

7 Authority of the Chair at meetings of the IJB and its Committees

- 7.1 The duty of the person presiding is to ensure that the Standing Orders or the Committee's terms of reference are observed, to preserve order, to ensure fairness between members, and to determine all questions of order and competence. The ruling of the person presiding shall be final and shall not be open to question or discussion.
- 7.2 Any member who disregards the authority of the Chair, obstructs the meeting, or conducts himself/herself offensively shall be suspended for the remainder of the

meeting, if a motion (which shall be determined without discussion) for his/her suspension is carried. Any person so suspended shall leave the meeting immediately and shall not return without the consent of the meeting.

7.3 The Chair has the right to adjourn a meeting in the event of disorderly conduct or other misbehaviour at the meeting.

7.4 No business shall be transacted at any meeting of the Integration Joint Board other than that specified in the notice of the meeting except on grounds of urgency. Any request for the consideration of an additional item of business must be made to the Chair at the start of the meeting and the majority of voting members present must agree to the item being included on the agenda.

8 Adjournment

8.1 If it is necessary or expedient to do so for any reason, a meeting may be adjourned to another day, time and place. A meeting of the Integration Joint Board, or of a committee of the Integration Joint Board, may be adjourned by a motion, which shall be moved and seconded and be put to the meeting without discussion. If such a motion is carried, the meeting shall be adjourned to such day, time and place as may be specified in the motion.

9 Voting and Debate

9.1 The Board may reach consensus on an item of business without taking a formal vote and the formal voting process outlined in paragraphs 9.2-9.10 would not need to be used.

9.2 Where a vote is taken, every question at a meeting shall be determined by a majority of votes of the members present and voting on the question. A vote may be taken by members by a show of hands, or by ballot, or any other method determined by the Chair. In the case of an equality of votes, the person presiding at the meeting does not have a second or casting vote.

9.3 Any voting member may move a motion or an amendment to a motion and it is expected that members will notify the Chair in advance of the meeting. The Chair may require the motion to be in writing and that the mover states the terms of the motion. Every motion or amendment is required to be moved and seconded.

9.4 Any voting member may second the motion and may reserve his/her speech for a later period of the debate.

9.5 Once a motion has been seconded it shall not be withdrawn or amended without the leave of the Integration Joint Board.

- 9.6 Where a vote is being taken, except for the mover of the original motion, no other speaker may speak more than once in the same discussion.
- 9.7 After debate, the mover of any original motion shall have the right to reply. In replying he/she shall not introduce any new matter, but shall confine himself/herself strictly to answering previous observations and, immediately after his/her reply, the question shall be put by the Chair without further debate.
- 9.8 A motion to adjourn any debate on any question or for the closure of a debate shall be moved and seconded and put to the meeting without discussion. Unless otherwise specified in the motion, an adjournment of any debate shall be to the next meeting.
- 9.9 Where there has been an equality of votes, the Chair of the Integration Joint Board on reflection of the discussion, will bring consideration of the matter to a close for that meeting, and give direction to the Chief Officer on how the matter should be taken forward. The Chief Officer will then be obliged to review the matter, with the aim of addressing any concerns, and developing a proposal which the integration joint board can reach a decision upon in line with Standing Order 9.
- 9.10 Where the matter remains unresolved, and the Chair concludes that the equality of votes is effectively a representation of a dispute between the two constituent parties, then the dispute resolution process which is set out in the integration scheme shall take effect. If the unresolved equality of votes is not a representation of a dispute between the two constituent parties, then the Chair and the Chief Officer must work together to arrive at an acceptable position for the integration joint board.

10 Changing a Decision

- 10.1 A decision of the Integration Joint Board can not be changed by the Integration Joint Board within six months unless notice has been given in the notice of meeting and:
- 10.1.1 The Chair rules there has been a material change of circumstance: or
- 10.1.2 The Integration Joint Board agrees the decision was based on incorrect or incomplete information.

11 Minutes

- 11.1 The names of members present at a meeting of the Integration Joint Board, or of a committee of the Integration Joint Board, shall be recorded. The names of any officers in attendance shall also be recorded.

11.2 The Chief Officer (or his/her authorised nominee) shall prepare the minutes of meetings of the Integration Joint Board and its committees. The Integration Joint Board or the committee shall receive and review its minutes for agreement at its following meeting.

12 Matters Reserved for the Integration Joint Board

Standing Orders

12.1 The Integration Joint Board shall approve its Standing Orders.

Committees

12.2 The Integration Joint Board shall approve the establishment of, and terms of reference of all of its committees.

12.3 The Integration Joint Board shall appoint all committee members, as well as the chair of any committees.

Values

12.4 The Integration Joint Board shall approve organisational values, should it elect to formally define these.

Strategic Planning

12.5 The Integration Joint Board shall establish a Strategic Planning Group ([Section 32](#) of Public Bodies (Joint Working) Scotland Act 2014), and appoint its membership (except for the members nominated by each constituent party).

12.6 The Integration Joint Board shall approve its Strategic Plan ([Section 33](#)) and any other strategies that it may need to develop for all the functions which have been delegated to it. The Integration Joint Board will also review the effectiveness of its Strategic Plan ([Section 37](#)).

12.7 The Integration Joint Board shall review and approve its contribution to the Community Planning Partnership for the local authority area. The Integration Joint Board shall also appoint its representative(s) at Community Planning Partnership meetings.

Risk Management

12.8 The Integration Joint Board shall approve its Risk Management Policy.

12.9 The Integration Joint Board shall define its risk appetite and associated risk tolerance levels.

Health & Safety

12.10 In the event that the Integration Joint Board employs five or more people, it shall approve its Health & Safety Policy.

Finance

12.11 The Integration Joint Board shall approve its annual financial statement ([Section 39](#)).

12.12 The Integration Joint Board shall approve Standing Financial Instructions and a Scheme of Delegation.

12.13 The Integration Joint Board shall approve its annual accounts.

12.14 The Integration Joint Board shall approve the total payments to the constituent bodies on an annual basis, to implement its agreed Strategic Plan.

Performance Management

12.15 The Integration Joint Board shall approve the content, format, and frequency of performance reporting.

12.16 The Integration Joint Board shall approve its performance report ([Section 43](#)) for the reporting year.

13 Integration Joint Board Members – Ethical Conduct

13.1 Voting and non-voting members of the Integration Joint Board are required to subscribe to and comply with the Code of Conduct which is made under the [Ethical Standards in Public Life etc \(Scotland\) Act 2000](#). The Commissioner for Public Standards can investigate complaints about members who are alleged to have breached their Code of Conduct. The Chief Officer (or his/her authorised nominee) shall maintain the Integration Joint Board's Register of Interests. When a member needs to update or amend his or her entry in the Register, he or she must notify the Chief Officer (or his/her authorised nominee) of the need to change the entry within one month after the date the matter required to be registered.

13.2 The Chief Officer (or his/her authorised nominee) shall ensure the Register is available for public inspection at the principal offices of the Integration Joint Board at all reasonable times.

13.3 Members must always consider the relevance of any interests they may have to any business presented to the Integration Joint Board or one of its committees

and disclose any direct or indirect pecuniary and non-pecuniary interests in relation to such business, before taking part in any discussion on the matter.

- 13.4 The Integration Joint Board or committee must determine whether the interest declared prohibits the member from taking part in the discussion and vote on the relevant item of business.
- 13.5 Members shall make a declaration of any gifts or hospitality received in their capacity as an Integration Joint Board member. Such declarations shall be made to the Chief Officer (or his/her authorised nominee) who shall make them available for public inspection at all reasonable times at the principal offices of the Integration Joint Board.

14 Committees and Working Groups

- 14.1 The Integration Joint Board shall appoint such committees, and working groups as it thinks fit. The Integration Joint Board shall appoint the chairs of these committees. The Board shall approve the terms of reference and membership of the committees and shall review these as and when required. The terms of reference of these committees will be incorporated into a Scheme of Administration (Appendix 1 to these Standing Orders). This Standing Order should be read in conjunction with the Scheme of Administration.
- 14.2 The committee must include voting members, and must include an equal number of voting members appointed by the Health Board and local authority.
- 14.3 The Integration Joint Board shall appoint committee members to fill any vacancy in the membership as and when required.
- 14.4 Any Integration Joint Board member may substitute for a committee member who is also an Integration Joint Board member.
- 14.5 The Standing Orders relating to the calling and notice of Integration Joint Board meetings, conduct of meetings, and conduct of Integration Joint Board members shall also be applied to committee meetings but not working groups.
- 14.6 The Integration Joint Board shall approve a calendar of meeting dates for its committees. The committee chair may call a meeting any time, and shall call a meeting when requested to do so by the Integration Joint Board.
- 14.7 The Integration Joint Board may authorise committees to co-opt members for a period up to one year. A committee may decide this is necessary to enhance the knowledge, skills and experience within its membership to address a particular element of the committee's business. A co-opted member is one who is not a member of the Integration Joint Board, cannot vote and is not to be counted when determining the committee's quorum.

14.8 A member may be regarded as being present at a meeting of a committee if he or she is able to participate from a remote location by a video link or other communication link. A member participating in a meeting in this way will be counted for the purposes of deciding if a quorum is present.

EAST LOTHIAN INTEGRATION JOINT BOARD

SCHEME OF ADMINISTRATION

<u>Committees</u>	<u>Pages</u>
--------------------------	---------------------

<u>Audit and Risk Committee</u>	<u>1 – 5</u>
---------------------------------	--------------

AUDIT AND RISK COMMITTEE

TERMS OF REFERENCE

INTRODUCTION

1. The Audit and Performance Committee is identified as a Committee of the Integration Joint Board (IJB). The approved Terms of Reference and information on the composition and frequency of the Committee will be considered as an integral part of the Standing Orders. The Committee will be a Standing Committee of the IJB.
2. The Financial Regulations for the IJB were approved Integration Board on 29 October 2015. Section 3.10 of the Financial Regulations state that the IJB will have an Audit and Risk Committee

CONSTITUTION

3. The IJB shall appoint the Committee. The Committee will consist of (at least) four members of the IJB, excluding professional advisors. At least four Committee members must be IJB voting members, 2 from the Health Board and 2 from the Council. Membership of the committee will be for three years and may be extended by the IJB.
4. The Committee may at its discretion set up working groups for review work. Membership of working groups will be open to anyone whom the Committee considers will assist in the task assigned. The working groups will not be decision making bodies or formal committees but will make recommendations to the Audit and Risk Committee.

CHAIR

5. The Chair of the Committee will be a voting Member nominated by the IJB, noting that the Chair or Vice Chair of the IJB cannot also chair the Audit and Risk Committee.

QUORUM

6. Three Members of the Committee will constitute a quorum.

ATTENDANCE AT MEETINGS

7. The Chief Officer, Chief Finance Officer, Chief Internal Auditor and other professional advisors or their nominated representatives will normally attend meetings. Other persons shall attend meetings at the invitation of the Committee.
8. The external auditor will be invited to all meetings.

MEETING FREQUENCY

9. The Committee will meet at least three times each financial year.

AUTHORITY

10. The Committee is authorised to request reports and to make recommendations to the IJB for further investigation on any matters which fall within its Terms of Reference.

DUTIES

11. The Committee will review the overall internal control arrangements of the IJB and make recommendations to the Board regarding signing of the Governance Statement.
12. Specifically it will be responsible for the following duties:

GOVERNANCE, RISK AND CONTROL

- 1) To review the IJB's corporate governance arrangements against the good governance framework and consider annual governance reports and assurances.
- 2) To review the Annual Governance Statement prior to approval and consider whether it properly reflects the risk environment and supporting assurances, taking into account internal audit's opinion on the overall adequacy and effectiveness of the IJB framework of governance, risk management and control.
- 3) To consider the IJB arrangements to secure value for money and review assurances and assessments on the effectiveness of these arrangements.
- 4) To consider the IJB framework of assurance and ensure that it adequately addresses the risk and priorities of the IJB.

- 5) To monitor the effective development and operation of risk management in the IJB.
- 6) To monitor progress in addressing risk-related issues reported to the committee.
- 7) To consider reports on the effectiveness of internal controls and monitor the implementation of agreed actions.

INTERNAL AUDIT

- 8) To approve the internal audit charter.
- 9) To review proposals made in relation to the appointment of external providers of internal audit services and to make recommendations.
- 10) To approve the risk-based internal audit plan, including internal audit's resources requirements, the approach to using other sources of assurance and any work required to place reliance upon those other sources.
- 11) To approve significant interim changes to the risk-based internal audit plan and resource requirements.
- 12) To make appropriate enquiries of both management and the head of internal audit to determine if there are any inappropriate scope or resource limitation.
- 13) To consider reports from the head of internal audit on internal audit's performance during the year, including the performance of external providers of internal audit services. These will include:
 - a) Updates on the work of internal audit including key findings, issues of concern and action in hand as a result of internal audit work.
 - b) Regular reports on the results of the Quality Assurance and Improvement Programme.
 - c) Reports on instances where the internal audit function does not conform to the Public Sector Internal Audit Standards and Local Government Application Note, considering whether the non-conformance is significant enough that it must be included in the Annual Governance Statement.
- 14) To consider the head of internal audit's annual report:
 - a) The statement of the level of conformance with the Public Sector Internal Audit Standards and Local Government Application Note and the results of Assurance and Improvement Programme that supports the statement – these will indicate the reliability of the conclusions of internal audit.

b) The opinion on the overall adequacy and effectiveness of the IJBI's framework of governance, risk management and control together with the summary of the work supporting the opinion - these will assist the committee in reviewing the Annual Governance Statement.

- 15) To consider summaries of specific internal audit reports as requested.
- 16) To receive reports outlining the action taken where the head of internal audit has concluded that management has accepted a level of risk that may be unacceptable to the authority or there are concerns about progress with the implementation of agreed actions.
- 17) To contribute to the Quality Assurance and Improvement Programme and in particular, to the external quality assessment of internal audit that takes place at least once every five years.
- 18) To consider a report on the effectiveness of internal audit to support the Annual Governance Statement.
- 19) To support the development of effective communication with the head of internal audit.

EXTERNAL AUDIT

- 20) To consider the external auditor's annual letter, relevant reports, and the report to those charged with governance.
- 21) To consider specific reports as agreed with the external auditor.
- 22) To comment on the scope and depth of external audit work and to ensure it gives value for money.
- 23) To commission work from internal and external audit.
- 24) To advise and recommend on the effectiveness of relationships between external and internal audit and other inspection agencies or relevant bodies.

FINANCIAL REPORTING

- 25) To review the annual statement of accounts. Specifically, to consider whether appropriate accounting policies have been followed and whether there are concerns arising from the financial statements or from the audit that need to be brought to the attention of the IJB.
- 26) To consider the external auditor's report to those charged with governance on issues arising from the audit of the accounts.

ACCOUNTABILITY ARRANGEMENTS

- 27) To report to those charged with governance on the committee's findings, conclusions and recommendations concerning the adequacy and effectiveness of their governance, risk management and internal control frameworks; financial reporting arrangements, and internal and external audit functions.
- 28) To report to the IJB on a regular basis on the committee's performance in relation to the terms of reference and the effectiveness of the committee in meeting its purpose.