



REPORT TO: East Lothian Integration Joint Board

MEETING DATE: 26 May 2016

BY: Chief Officer

SUBJECT: Non Voting Membership of East Lothian Integration Joint Board

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1 PURPOSE

- 1.1 This report asks the Integration Joint Board (IJB) to agree the appointment of non voting members.

2 RECOMMENDATIONS

- 2.1 That the IJB agree to the appointment of Eliot Stark to represent the Third Sector and Margaret McKay to represent Carers.
- 2.2 That the IJB note that the chair will give a verbal update on the appointment of representatives of the Independent Sector and Service Users at the meeting.
- 2.3 That the IJB agree staggered terms of appointment.

3 BACKGROUND

- 3.1 The IJB agreed in March 2016 to a process for the selection of four non voting members involving advertising the opportunities and interviewing for the positions.
- 3.2 Since then, following a review of the guidance on membership, it has become clear that the local Third Sector Interface should be invited to make a nomination. This has been done and Strive has nominated Eliot Stark.
- 3.3 The positions of representatives of Carers, Independent Sector and Service Users were advertised. Interviews were held by the Chair, Vice Chair and Chief Officer.

- 3.4 The interviews for Carer representative were completed in time for the recommendation to be included in this paper. It is recommended that Margaret McKay be re-appointed as Carer representative.
- 3.5 Interviews for the Independent Sector and Service User representatives were not completed in time to be included in this paper. The Chair will verbally advise the meeting of the recommendations from the interviews.
- 3.6 It is proposed that in order to minimise wholesale changes in membership at any one time the terms of appointment be staggered as follows:
- Carer and Third Sector - two years
 - Independent Sector and Service User - three years

4 POLICY IMPLICATIONS

- 4.1 There are no policy implications of this paper.

5 INTEGRATED IMPACT ASSESSMENT

- 5.1 The subject of this report does not affect the wellbeing of the community or have a significant impact on equality, the environment or economy.

6 RESOURCE IMPLICATIONS

- 6.1 There are no resource implications of this paper.

7 BACKGROUND PAPERS

- 7.1 None.

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DESIGNATION	Chief Officer
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DATE	18 May 2016



MINUTES OF THE MEETING OF THE EAST LOTHIAN INTEGRATION JOINT BOARD

THURSDAY 28 APRIL 2016
COUNCIL CHAMBER, TOWN HOUSE, HADDINGTON

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Voting Members Present:

Councillor S Akhtar
Mr M Ash
Councillor S Currie
Councillor J Goodfellow
Councillor D Grant
Mr A Joyce
Ms A Meiklejohn
Mr P Murray

Non-voting Members Present:

Ms M Allan
Ms F Duncan
Mr D King
Ms A MacDonald
Mr K Maloney
Mr T Miller
Mr D Small
Mr E Stark
Dr J Turvill

ELC/NHS Officers Present:

Ms L Crozier
Ms C Lumsden
Ms J Ogden-Smith
Ms S Saunders

Clerk:

Ms F Currie

Apologies:

Mrs M McKay

Declarations of Interest:

None

Following permission from the Chair, Maureen Allan raised on behalf of the East Lothian Independent Sector (ELIS) the issue of uplift on care at home rates paid by the Council. She presented a letter which highlighted the concerns of ELIS members and requested a meeting with the IJB.

The Chair indicated that, before the issue could be debated further, clarity should be sought on whether this issue fell within the IJB's responsibilities. Members agreed that David Small should consider and report back on whether this constituted legitimate IJB business.

1. MINUTES OF THE EAST LoTHIAN INTEGRATION JOINT BOARD MEETING OF 31 MARCH 2016 (FOR APPROVAL)

The minutes of the East Lothian Integration Joint Board meeting of 31 March 2016 were approved.

2. MATTERS ARISING FROM THE MINUTES OF THE MEETING OF 31 MARCH 2016

The following matters arising from the minutes of the meeting of 31 March 2016 were discussed:

Audit & Risk Committee – The Chair sought the IJB's agreement to a change of membership on the Audit & Risk Committee. It was proposed that Peter Murray would replace Mike Ash as one of the two NHS representatives on the Committee. The IJB approved the change in membership.

3. CHAIR'S REPORT

The Chair advised members of his attendance at a recent Autism Strategy event. He said that it had been a well-attended and inspiring meeting which had included a number of personal accounts from stakeholders and he looked forward to receiving the formal feedback.

He also reported on his meeting with staff at St Columba's Hospice in Edinburgh who had indicated their willingness to get involved with the work of all four IJBs across Edinburgh and the Lothians.

4. ACTIONS TO BE DELIVERED BY THE PARTNERS ARISING FROM THE INTEGRATION SCHEME

A report was submitted by Chief Officer of the IJB to update members on the actions to be delivered by the IJB's partners (East Lothian Council and NHS Lothian) as laid out in the IJB's integration scheme and to note the current status of these actions.

David King presented the report referring to the detailed review of the Integration Scheme which had been undertaken and those sections that required further action from the partners.

The Members expressed concerns over the lack of progress in certain areas and the implications for the delivery of services and the ability of partners to achieve the required efficiency savings. Mike Ash proposed a change to the report recommendations: that the Chair should write to the Chief Executives of both partners

expressing the IJB's concerns about the lack of progress and asking for a report back on what steps they intend to take to address the gaps. He said that this would be an important step for the IJB in establishing itself in the culture of its partners.

Decision

The IJB agreed:

- (i) To note the content of the paper; and
- (ii) To direct the Chair to write to the partners and ask them to conclude the actions, as detailed, and to report back to the IJB at its June meeting.

5. FINANCIAL STRATEGY – 2016/17 AND BEYOND

A report was submitted by the Chief Finance Officer of the IJB to consider the broad outline and approach to underpin the IJB's financial strategy for the next three financial years.

Mr King presented the report. He summarised the key points and outlined the five broad areas of approach that the IJB was considering to reduce its cost base in line with the reduced resources available. He said that each would require clear actions and a detailed plan to show how the ambitions of the strategic plan could be achieved within the resources now available.

Members debated the issue at length and Mr King responded to a number of questions including how to highlight the key risks to deliverables, how to take a strategic, long-term approach rather than making decisions in isolation and how to review governance structures and embed these in the operational processes in a way that adds value.

Peter Murray said that in order to alter the way in which funding was invested across the sector it was important to encourage partners to get away from a 'silo mentality'. He suggested that a development session for IJB members as a first step.

Councillor Currie emphasised the importance of getting effective governance arrangements in place and in looking at budget-setting over three years rather than one.

Councillor Akhtar welcomed the suggestion of a development session and added that, while work remained to be done, it was important to acknowledge what had already been achieved.

Mr Ash agreed that acknowledging the work already done was very important but he also warned that there needed to be much more of a systems change and it was up to the IJB to decide how things should be done.

Keith Maloney said that the IJB should be engaging with stakeholders and asking them what things would make a difference to them. People should be supported to make an informed and confident contribution to decisions relating to their care.

Ailson Meiklejohn commented on the need to be creative and offer service users choices about their care.

Mr Small advised the members that he and the Chair would be considering some of these issues as topics for potential briefing sessions at IJB meetings over the coming months. He suggested that they begin at the May meeting with a session on tendering of specialist services.

Decision

The IJB agreed:

- (i) To note the contents of the report; and
- (ii) To consider the options and support the approach of the management team.

6. 2016/17 DIRECTIONS - UPDATE

A report was submitted by the Chief Officer of the IJB to update the IJB on the status of its directions to NHS Lothian and East Lothian Council for 2016/17 and to consider the actions to be taken.

Mr King presented the report drawing members' attention to the previous report submitted to the IJB at its meeting of 31 March 2016 which laid out the detail of the directions and delegated authority to the Chief Officer to issue them to the partners. He advised that the IJB required to formally approve these directions and to consider what further actions or amendments might be needed to ensure effective delivery and oversight of services.

Responding to questions from members, Mr Small confirmed that both partners had acknowledged receipt of their IJB directions. Mr King added that a further update would be provided to the IJB on the development of a performance management methodology to monitor delivery of the directions.

Decision

The IJB agreed:

- (i) To formally approve the IJB's initial set of directions for 2016/17; and
- (ii) To note the further actions in development.

Sederunt: Sharon Saunders left the Chamber.

7. MEMBERSHIP OF THE EAST LOTHIAN INTEGRATION JOINT BOARD

A report was submitted by the Chief Officer of the IJB to ask the IJB to agree that the Head of Adult and Children's Services should become a non-voting member of the IJB.

Mr Small presented the report outlining the background and procedural reasons for seeking to include the Head of Adult and Children's Services as a non-voting member of the IJB. He also confirmed that in order to ensure clarity of role professional advisor members of the IJB should be clear when they are speaking in a professional advisory capacity and when in an operational capacity.

Decision

The IJB agreed:

- (i) To the Head of Adult and Children's Service becoming a non-voting member; and
- (ii) To note the need for clarity of role when officers are advising the IJB.

Sederunt: Sharon Saunders returned to the Chamber and joined the meeting.

8. EQUALITY OUTCOMES & MAINSTREAMING REPORTS 2016-2018

A report was submitted by the Chief Officer of the IJB to seek approval for the East Lothian Health & Social Care Partnership's (ELHSCP) Equality Outcomes and Mainstreaming reports 2016 - 2018.

Lesley Crozier presented the report drawing members' attention to the content and purpose of the Equalities Outcomes and Mainstreaming reports and referring to the consequences of any failure to comply with the legislation, including fines and reputational damage. She confirmed that the reports met the legal requirements of the equalities legislation and supported a positive way forward for the East Lothian Health & Social Care Partnership (ELHSCP).

In response to questions from members, Ms Crozier advised that interim reports would be presented to the IJB in advance of the final report in 2018. She commented on the next steps for the drawing up of actions plans and monitoring of outcomes and confirmed that it would be for the IJB to determine what additional actions it wished to identify and include in directions. She also referred to work on information-sharing with a view to identifying the current position in relation to work place conditions to transgender and other groups.

Members also raised the issue of gender equality with the membership of the IJB. Mr Small acknowledged the point and Mr Ash advised that, while balance was not always possible, the IJB had a responsibility to draw this to the attention of the partners.

Decision

The IJB agreed to approve the contents of the Equality Outcomes and Mainstreaming Reports 2016 – 2018.

Signed

Councillor Donald Grant
Chair of the East Lothian Integration Joint Board



REPORT TO: East Lothian Integration Joint Board
MEETING DATE: 26 May 2016
BY: Chief Officer
SUBJECT: East Lothian Community Hospital Update

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1 PURPOSE

- 1.1 This report asks the Integration Joint Board (IJB) to note and discuss the current position with the East Lothian Community Hospital development.

2 RECOMMENDATIONS

- 2.1 That the IJB note the update on progress and discuss any key issues including the revenue gap.

3 BACKGROUND

- 3.1 Attached is an update report from the project team that sets out the issues.
- 3.2 It is anticipated that the Outline Business Case (OBC) will be submitted to the IJB meeting in June 2016 for approval.
- 3.3 There is a revenue gap on the plan for the hospital of 1.5m per annum. This is largely due to increased costs for facilities management and rates. It will be necessary that the OBC indicate how the gap will be closed.
- 3.4 Whilst facilities are not a delegated function to the IJB the costs are a consequence of providing a building in which delegated functions will be delivered to modern standards. This is reflected in the IJB strategic plan.
- 3.5 It is proposed that the IJB should consider meeting a share of the revenue gap from the budgets for delegated functions. This will require an additional efficiency target on the delegated NHS budgets which would be added over the next three years 2017/18 to 2019/20.

- 3.6 The IJB should also be aware that bringing 20 beds into use in the future will require c £1m of revenue to be found. It is too early to be clear on the future use of the beds and therefore where this resource would be found from.

4 POLICY IMPLICATIONS

- 4.1 There are no policy implications of this paper.

5 INTEGRATED IMPACT ASSESSMENT

- 5.1 Any outcomes from this report that affect the wellbeing of the community or have a significant impact on equality, the environment or economy will be subject to integrated impact assessments.

6 RESOURCE IMPLICATIONS

- 6.1 There are no resource implications of this paper.

7 BACKGROUND PAPERS

- 7.1 None.

AUTHOR'S NAME	David Small
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DATE	18 May 2016

NHS Lothian

East Lothian IJB
May 2016

Andrew Milne
Project Director

EAST Lothian COMMUNITY HOSPITAL UPDATE

1 Purpose of the Report

1.1 The purpose of this report is ask that the IJB note progress and support the development of the Business Case for East Lothian Community Hospital (ELCH).

2 Recommendations

The IJB is recommended to:

- 2.1 Note that NHS Lothian Finance and Resources Committee agreed three key issues in relation to the project at its meeting on 4th May 2016 that will allow the project to proceed.
- 2.2 The IJB is asked to note the revised programme to Financial Close and the intention to submit the Outline Business Case (OBC) in June 2016.

3 Discussion of Key Issues

3.1 Programme Update

An Initial Agreement was approved by Scottish Government and approval given to proceed to OBC. The OBC is in preparation, based on a capital scheme of circa £70m to provide:

- NHS Lothian Strategic Plan
- Unscheduled Care – Repatriation of post acute rehabilitation from other Lothian hospitals
- Scheduled Care –Minor Surgery, Endoscopy & Outpatients
- Improved facilities to support better physical alignment for integration between social care and third sector organisations
- Co-location of all staff teams in open plan environment
- Quality and Safety
- Re-provision will achieve modern standards i.e. single rooms, en-suite etc.
- Primary Care – GP premises (future expansion)
- Capacity for shared use of internal and external facility for public and community groups

Targeted key dates are:

OBC

Project Board 27th May
Lothian Capital Investment Group 21st June
East Lothian IJB 30th June
Finance & Resources Committee 12th July
NHSL Board 3rd August
Scottish Govt Capital Investment Group 9th August

FBC

Project Board 22nd July (scheduled, extraordinary Board may be required between 9th August & 16th August)
Lothian Capital Investment Group 16th August
East Lothian IJB 25th August
Finance & Resources Committee 14th September
NHSL Board 5th October
Scottish Govt Capital Investment Group 11th October

Assuming approval, this will be followed by Financial Close and a start on site in January 2017.

NHSL are in dialogue with Scottish Government to review Governance timescales to explore if the programme can be improved.

3.2 Review of Surgical Services

A surgical review has been carried out and NHS Lothian's Strategic Planning Committee and Finance and Resources Committee has advised that going forward with a surgical service involving increased endoscopy and minor surgery but without general anesthetic is preferable for ELCH. This will still see a significant increase in the number of patients treated locally. Accordingly the OBC and supporting designs have been prepared to comply with this strategy.

The review has had programme implications meaning the programmed Financial Close is likely to slip back from July 2016 to year end. This will result in inflationary increases on capex with costs likely to increase from £68.9m for construction to circa £70m. However this is still £2m below the agreed affordability cap.

3.3 Decant Costs

The committee agreed in principle that decant facilities will be necessary for some inpatient hospital services. The proposed facility will also provide the opportunity for early repatriation of East Lothian residents from Midlothian and assists the NHS Boards intention to remove patients from Liberton Hospital.

The programme requires the facility to be operational by the end of 2016. This in turn requires the procurement to commence in May 2016. An early November transfer for patients is preferable clinically.

A number of options for decant have been examined and the preferred option was selected on the basis of patient needs, quality and costs (Appendix 1). This option will see modular wards placed on the Herdmanflat site to accommodate patients from both East Fortune House and repatriated patient groups. It is intended that the disposal of the Hopetoun Unit part of the Herdmanflat site will offset much of the decant costs.

Decant costs are anticipated to be in the region of £4.2m including VAT and a supporting paper has been prepared by NHSL Finance (Appendix 2) Scottish Government has verbally agreed to support the costs of the project and formal confirmation is awaited.

3.4 Bed Numbers

The committee agreed that the Hospital should comprise 132 beds plus 14 day spaces. Of the beds 20 will be constructed but not brought into use immediately. The 132 bed projection was based on population modelling to take account of the growth in East Lothian's population up to 2033 which will see the county grow to c 130,000 population. The 20 beds will not be required when the hospital opens in 2020 and will be brought into use in the future.

4 Key Risks

4.1 The current most significant risk to programme and affordability is the current £1.5m per annum revenue gap.

Other immediate risks include:

- OBC not yet submitted

5 Risk Register

5.1 A risk register has been prepared and will be submitted with the OBC

6 Impact on Health Inequalities

6.1 A Rapid Impact Assessment has been carried out. At this time, no significant actions are required. A further assessment will be carried out when design development has progressed.

7 Impact on Inequalities

7.1 A Rapid Impact Assessment has been carried out, at this time no significant actions are required.

8 Involving People

8.1 Partnership members and staff have been engaged throughout the process. There have been frequent meetings with staff during the development of plans.

9 Resource Implications

9.1 The decant expenditure for the preferred way forward is estimated to be in the region of £4.2m.

Andrew Milne

May 2016

List of Appendices

Appendix 1: ELCH Decant Options

Appendix 2 : Costings

ELCH F&R May 2016 - Appendix 1

ELCH Decant Options

Having worked through and considered up to 15 options for the decant of 19 patient from Roodlands Hospital, the following options have had further review and consideration and details are highlighted below for consideration:-

Option	Cost	Challenges	Risk
30 bed Portacabin Modular Unit – Roodlands	£4.2m	Timescale to allow decant Advance build instruction for Car Park works	Impact to re-provision main Contract Planning & Building Warrant Ground work surveys identify unknowns
20 bed Portacabin Modular Unit – Roodlands	£3.6m	Timescale to allow decant Advance build instruction for Car Park works No repatriation	Impact to re-provision main Contract Planning & Building Warrant Ground work surveys identify unknowns
30 bed Portacabin Modular Solution – Herdmanflat (Preferred Solution)	£4.2m	Timescale to allow decant	Planning & Building Warrant Ground work surveys identify unknowns
20 bed Portacabin Modular Unit – Herdmanflat	£3.6m	Timescale to allow decant No repatriation	Planning & Building Warrant Ground work surveys identify unknowns
Crookston Step Down	£1m shift to SC	Alternative solution for SC care step down beds – capacity available locally is currently challenged DD target compromised Out of area step down	Social Care pressure ELC support Impact on system for bed reductions
Belhaven – purpose built	£3.9m circa	Timescale Design & Planning	Timescales for progressing build option unachievable
Balfour – Miles Ward Astley Ainslie Hospital	£2.9m	Out of Area Placement Public Consultation Organisational change for staff Room share for patients	Timescales for implantation is insufficient Unsupported by Senior Nursing Staff Investment in estate under reprovision
Private Medical Care	Not available	Current pressures on	Timescales

provision		places within EL AHP support unachievable	Dependency on availability within Third Sector Previously unsuccessful attempts in Edinburgh

Additionally there would be some minor works required to upgrade Herdmanflat to accommodate the community Physiotherapy Department and some Community Nursing Teams which is included within the £4.2m of the preferred option.

Estimated Costs of works £357k £238m2 @ £1500.00
 Estimate Logistics (removals & pt transfer) £6k

East Lothian Community Hospital (ELCH) Estimated Project Costs and Decant Strategy

1. ELCH – Total Project Cost Update

Based on current spend and estimate expected spend, the estimated total cost of ELCH is presented and summarised in the table below:

Table 1: Development Costs	Total £'000
Project Capex (stage 2 report)	68,879
Delay to Financial Close Date	1,100
<i>Total Affordability Cap*</i>	69,979
Decant (VAT incl.)	4,231
Equipment (VAT incl.)	4,134
NHS Lothian Fees	250
Buildings Warrants and Planning Fees	131
<i>Total expected project costs</i>	78,725

**Agrees to Stage 2 Pricing Report dated 15th March 2016*

The Project Affordability Cap at NPR stage was set at £71,950,522.

The Stage 2 Predicted Maximum Cost is £69,980,081 (inc. cost of delay), which is £1,970,441 lower than the Affordability Cap.

2. Decant strategy and costs

Proposal

- Decant is essential for start and timely progress of the overall programme. Delays in the project can have significant impact on capex through inflation. Current average estimate increase is £235,000 per each calendar month of delay to the programme. To mitigate delay and assist decant it is proposed NHSL rent a 30 bedded modular facility to be placed on the Herdmanflat site. The Unit will accommodate patients from East Fortune House and repatriate East Lothian patients from

Midlothian Community Hospital (MLCH) – allowing MLCH patients to be repatriated as part of the Liberton closure proposal.

- Unit required from 2016/17 to 2019/20
- Other infrastructure work required to accommodate services (eg AHPs) and staff
- Utilising the modular accommodation will still allow the sale of the Hopeton Unit, with marketing beginning in 2016/17. As part of the conditions of sale a phased withdrawal from this area of the site is anticipated to allow units to remain until the opening of ELCH.
- The rest of the Herdmanflat site can be sold following the transfer of Lamerlaw patients to the new hospital
- The Herdmanflat site has been chosen for the decant facility as it provides good clinical adjacencies with the Lamerlaw Unit, is of a suitable size and location and will not impact contractually on the main Project DBFM. An option appraisal has been carried out and appended within the submitted papers (Appendix 1)

Financials

The table below summarises the forecast costs and funds to offset the decant over the relevant years. Costs are VAT inclusive.

	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/2020 £'000	Total £'000
Module Hire	761	989	989	989	3,729
Infrastructure	472	24	0	0	496
Service Move	7	0	0	0	7
Total Expenditure	1,240	1,013	989	989	4,231
Proceeds from sale Herdmanflat		2,700			2,700
Funding gap	(1,240)	1,687	(989)	(989)	(1,531)

There is a need to progress the decant process as this will avoid any further delays and subsequent inflationary increase on capex.

Given the heavily constrained availability of capital and revenue funding for NHS Lothian, we are seeking assistance from the SGHSCD to manage the different timescales of expenditure and offsetting income. We are requesting a revenue allocation to cover the decant costs to be agreed at OBC, to be offset by the receipt from the South portion of the site. This will enable the programme to continue and avoid or mitigate further inflationary costs.

Managing Decant Funding Shortfall

Current estimates indicate a £1.5m shortfall in available funding, however the aim is to identify mitigating actions to close this gap. We are currently working on various ways to help us to achieve this:

- Value for money analysis on options for modular unit (rental vs. purchase vs. 'preloved').
- Reviewing infrastructure cost and options to reduce where possible.
- Engaging marketing agency to provide up to date market value for Herdmanflat South Unit – anticipated proceeds of £2.7m is a prudent estimate.
- Discussions with VAT advisors regarding options to recover some or all of £600k VAT on modular rental.
- Identify potential NBV of future receipts to offset against decant costs.



REPORT TO: East Lothian Integration Joint Board
MEETING DATE: 26 May 2016
BY: Chief Finance Officer
SUBJECT: Financial Assurance - update

6

1 PURPOSE

- 1.1 This report updates Board on the current position with the financial assurance process and other matters arising from the report to the Board at its meeting on 31 March 2016.

2 RECOMMENDATIONS

- 2.1 That the Board note the contents of this report.

3 BACKGROUND

- 3.1 The IJB Strategic Plan has a start date of 1 April 2016. This means that the functions delegated to the IJB as laid out in the Integration Scheme formally become the responsibility of the IJB on that date and that NHS Lothian and East Lothian Council have to delegate to the IJB appropriate financial resources to the IJB.
- 3.2 An update report on the current position of financial assurance was made to the Board at its 31 March 2016 meeting.
- 3.3 This report reflected that East Lothian Council had now made a formal offer to the IJB which the IJB accepted albeit with the condition that the IJB fully understood the impact of the proposed £2.3m efficiency plans embedded in that budget. NHS Lothian, however, would not make the IJB a formal offer until it submitted its LDP (Local Development Plan, in effect NHS's Lothian financial plan) at the end of May 2016. NHS Lothian has not, at this time, made a final, formal offer to the IJB for 2016/17.

- 3.4 The report laid out the recommendations from the Audit and Risk Committee and the IJB agreed these as the actions outstanding. In summary the current position on these actions are:-

Finalisation of the 15/16 financial assurance

This will be presented to the Audit and Risk committee and thence to the IJB at the end of the first quarter of 2016/17. By that time the formal offer from NHS Lothian will have been received along with an appropriate analysis of both NHS Lothian's and the Adult Wellbeing efficiency schemes. The out-turn position for 2016/17 will also be available and this information will support the final position.

Setting a financial baseline

The IJB now needs a clear financial baseline. This means that all of the elements of the budgets require to be fully refined and clearly understood. The core budgets both in health and Adult Social Care need to be finalised (having reviewed the impact of the efficiency schemes as above) and the IJB's share of the pan-Lothian services requires to be agreed by reference to a model acceptable to all the IJBs taking into account the historic usage of these services. Its hoped that the work around the hosted services can be completed in year, however its unlikely that a clear baseline for all of the set aside services will be available in 2016/17. This work will also need to include an examination of what activity is associated with these budgets to allow further development of the Strategic Plan. It may be that the IJB would also wish to consider what, if any, element of the facilities and central corporate budgets from both partners should be allocated to it.

Financial management and reporting to the IJB

It is proposed that a quarterly financial position is reported to the IJB and work continues to ensure that not only can the financial position itself be generated for the IJB but an appropriate level of intelligence be obtained to allow the IJB to reflect on what actions it may have to take in year and the impact of in year financial performance on future Strategic Plans.

Financial Risk sharing agreements

The Integration Scheme lays out the processes to manage over and underspends in year. However, given that the IJB will only receive financial information on a quarterly basis the in year financial management will be undertaken at an operational level by the partners. The IJB has asked the Chief Officer and the Chief Finance officer to discuss an appropriate financial risk management arrangement with the partners and this is being progressed

Financial Planning for 2017/18 and thereafter

The IJB's influence over the 2016/17 financial plans of both partners was very modest. The functions now having been delegated and the Strategic Plan now live, the IJB's influence over the financial plans for

the delegated functions for 2017/18 and beyond is now absolute. However, the financial resources to support these functions will continue to flow from the total resources available to the partners and the IJB's plans will be constrained by the totality of the resources available to the partners. Indications are already available of the resources levels available for 2017/18 and the IJB should now plan to live within these resources. A proper financial planning mechanism, recognising the primacy of the Strategic Plan, is in the process of development.

3.5 The financial assurance work undertaken to date identified a range of risks. Three of the key risks being:-

- The efficiency schemes which are embedded in both East Lothian Council's and NHS Lothian (outline) financial plans. Although the efficiency plans for the services managed by the Partnership have been drawn up in outline (albeit there remains an outstanding gap), the efficiency plans for those services delegated to the IJB which are not managed by the Partnership are not yet available to the IJB. The IJB requires to understand the impact of all the efficiency schemes which are embedded in the IJB's budgets.
- The unbalanced NHS Lothian LDP (local development plan – in effect NHS Lothian's financial plan). At its Board meeting of 11th May 2016, the proposed LDP for 2016/17 was laid out. This plan showed a net gap (that is the projected expenditure was greater than the available budget) of c. £21m and that position was after the assumed achievement of c. £27m of efficiencies.
- A lack of clarity around the financial risk sharing mechanism between the IJB and the partners. The IJB has asked the Chief Officer and the Chief Finance Officer to agree a financial risk sharing model between the IJB and the partners. This has not yet been completed.

Clearly mitigating actions are required to manage these risks and the longer these actions are delayed the greater the risk

4 POLICY IMPLICATIONS

4.1 There are no policy implications arising from this report.

5 INTEGRATED IMPACT ASSESSMENT

5.1 Any changes to workforce arrangements will be subject to integrated impact assessments.

6 RESOURCE IMPLICATIONS

6.1 There are no further resource implications arising from this report.

7 BACKGROUND PAPERS

7.1 East Lothian Integration Scheme and the Financial Assurance pack presented to the IJB's Audit and Risk Committee on 10 February 2016.

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DATE	16 May 2016



REPORT TO: East Lothian Integration Joint Board

MEETING DATE: 26 May 2016

BY: Chief Finance Officer

SUBJECT: 2015/16 Annual Accounts - Update

7

1 PURPOSE

- 1.1 This report updates Board on the current position with the preparation of the IJB's annual accounts for 2015/16.

2 RECOMMENDATIONS

It is recommended that the Board:

- 2.1 Note the contents of this report
- 2.2 Agrees to accept the IJB's draft annual accounts for 2015/16 at its meeting 30 June 2016
- 2.2 Agrees to consider the IJB's audited annual accounts for 2015/16 at its meeting on 24 September 2016.

3 BACKGROUND

- 3.1 The East Lothian Integration Joint Board is regulated and governed by the Local Government (Scotland) Act (1973), specifically S106 along with the 2014 regulations. The Act requires to IJB to produce a set of annual accounts that will comply with the Act and the regulations as above. The IJB will prepare a set of annual accounts for 2015/16.
- 3.2 The timetable for the production and presentation of these accounts is as follows :-

Milestone	Deadline
Agreement of in year transactions and year end balances with Local Authority and Health Board	30 April
Draft annual accounts produced and submitted for audit.	30 June
Inspection of accounts and lodging of objections.	Completed by 29 July
Accounts signed.	30 September
Publication of audited annual accounts	30 October

- 3.3 The accounts will be produced for the period from 1 July 2015 (being the date when the IJB first met and formally was constituted) to 31 March 2016.
- 3.4 The Functions to be delegated to the IJB are laid out in the Integration Scheme and a model for financial resources to support the delivery of these functions has been presented to the IJB but these functions (and the concomitant financial resources) will not be allocated to the IJB until the start date of the IJB's Strategic Plan. The start date of the IJB's financial plan is 1 April 2016 and therefore no financial resources were allocated to the IJB in 2015/16. The IJB therefore has no financial transactions for 2015/16.
- 3.5 The Annual Accounts for 2015/16 will therefore be prepared at a relatively high level and concentrate on matters of assurance and governance and not on financial analyses. There will be no financial statements – no balance sheet, no income and expenditure statement, no cash flow and so on.
- 3.6 The timetable above lays out the key dates for the production of the annual accounts and the recommendations show when the schedules will be presented to the IJB.
- 3.7 It should be noted that the External Auditors will wish to discuss their opinion and any issues arising from the annual accounts with the IJB's Audit and Risk Committee and this matter will be included in the Audit and Risk's Committee's meeting on 6 September 2016.

4 POLICY IMPLICATIONS

- 4.1 There are no policy implications arising from this report.

5 INTEGRATED IMPACT ASSESSMENT

- 5.1 Any changes to workforce arrangements will be subject to integrated impact assessments.

6 RESOURCE IMPLICATIONS

6.1 There are no resource implications arising from this report.

7 BACKGROUND PAPERS

7.1 East Lothian Integration Scheme.

AUTHOR'S NAME	David King
DESIGNATION	Chief Finance Officer
CONTACT INFO	David.King@nhslotthian.scot.nhs.uk
DATE	12 May 2016



REPORT TO: East Lothian Integration Joint Board

MEETING DATE: 26 May 2016

BY: Chief Officer

SUBJECT: Membership of East Lothian Integration Joint Board
Strategic Planning Group

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1 PURPOSE

- 1.1 This report asks the Integration Joint Board (IJB) to note the change to the East Lothian Council membership of the Strategic Planning Group.

2 RECOMMENDATIONS

- 2.1 That the IJB note that the East Lothian Council member of the Strategic Planning Group has changed to be the Service Manager Resources and that this may change again once a new management structure is in place.

3 BACKGROUND

- 3.1 Attached is a Members Library Service report for East Lothian Council that sets out the issues.

4 POLICY IMPLICATIONS

- 4.1 There are no policy implications of this paper.

5 INTEGRATED IMPACT ASSESSMENT

- 5.1 The subject of this report does not affect the wellbeing of the community or have a significant impact on equality, the environment or economy.

6 RESOURCE IMPLICATIONS

- 6.1 There are no resource implications of this paper.

7 BACKGROUND PAPERS

7.1 None.

AUTHOR'S NAME	David Small
DESIGNATION	Chief Officer
CONTACT INFO	01620 827778 david.a.small@nhslothian.scot.nhs.uk
DATE	18 May 2016

REPORT TO: East Lothian Council Members Library Service

MEETING DATE:

BY: Director of Health and Social Care Partnership

SUBJECT: Amendment to Council Membership of East Lothian
Integration Joint Board Strategic Planning Group

1 PURPOSE

- 1.1 To advise Members of a change in the Council's membership of the East Lothian Integration Joint Board Strategic Planning Group.

2 RECOMMENDATIONS

- 2.1 That Members note the change to membership.

3 BACKGROUND

- 3.1 East Lothian Council agreed in August 2015 that Councillor Donald Grant should be the Council's member of the East Lothian Integration Joint Board Strategic Planning Group.
- 3.2 However, it has become evident that Councillor Grant has the right to attend meetings in his role as Chair of the Integration Joint Board.
- 3.3 It is proposed that, in order to clarify roles and ensure that social care has the maximum input to the IJB's strategic planning, the Service Manager Resources in Adult Social Care should undertake the role of Council member of the Strategic Planning Group.
- 3.4 This post may change in the new joint management structure under development by the Health and Social Care Partnership. If the post changes the membership will be reviewed again.

4 POLICY IMPLICATIONS

- 4.1 The proposals in the paper have no implications for Council policy.

5 EQUALITIES IMPACT ASSESSMENT

5.1 There are no implications for equalities.

6 RESOURCE IMPLICATIONS

6.1 Financial - none.

6.2 Personnel - none.

6.3 Other – none.

7 BACKGROUND PAPERS

7.1 None.

AUTHOR'S NAME	David Small
DESIGNATION	Director of Health and Social Care
CONTACT INFO	01620827778 david.a.small@nhslothian.scot.nhs.uk
DATE	17/05/16

Annexes:

none