



MINUTES OF THE MEETING OF THE EAST LoTHIAN INTEGRATION JOINT BOARD

THURSDAY 25 AUGUST 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
Ms A Meiklejohn
Mr P Murray

Non-voting Members Present:

Dr R Fairclough
Mr D Harvie
Mr D King
Mrs M McKay
Mr T Miller
Ms S Saunders
Mr D Small
Dr J Turvill

ELC/NHS Officers Present:

Ms J Ogden-Smith
Ms C Lumsden
Mr C Briggs

Clerk:

Mrs F Stewart

Apologies:

Mr A Joyce
Ms F Duncan
Ms A MacDonald
Ms M McNeill
Mr E Stark

Declarations of Interest:

None

1. MINUTES OF THE MEETING OF THE EAST LoTHIAN INTEGRATION JOINT BOARD OF 30 JUNE 2016

The minutes of the East Lothian Integration Joint Board meeting of 30 June 2016 were approved.

2. MATTERS ARISING FROM THE MINUTES OF THE MEETING ON 30 JUNE 2016

The following matters arising from the minutes of the meeting on 30 June 2016 were discussed:

Code of Conduct

David Small advised that the Code of Conduct, agreed by the IJB at its last meeting, had been approved by the Scottish Government. He reminded members that the Code required the setting up of a Register of Interests and that forms would be issued shortly for completion by members.

Annual Accounts

David King updated members on progress with the annual accounts. He explained that these had been reviewed by the Audit & Risk Committee prior to this meeting but that due to a change in Scottish Government guidance further amendments were required. He proposed to make the necessary changes and circulate the revised version to KPMG and Audit & Risk Committee members, before submitting the final version of the accounts to the IJB at its September meeting.

Community Hospital

Mr Small advised members that the final proposal had been submitted to the Government's Capital Investment Group with the recommendation that it go forward for approval by the Cabinet Secretary. A decision was expected within the next 2-3 weeks and, barring any delays, it was hoped that the current timetable of financial close by end September and breaking ground in October would still be met.

3. CHAIR'S REPORT

The Chair reported that there would be two further project update events for the East Lothian Community Hospital on Friday 9 September (afternoon) and Thursday 15 September (evening), both of which would be held in the Townhouse, Haddington. The Chair also encouraged members to attend the Primary Care event being arranged for Thursday 29 September. The event was open to members of all four Lothian IJBs and some members of the East Lothian IJB had already expressed an interest.

The Chair noted that this was Alison Meiklejohn's last meeting as a member of the IJB. He thanked her for her contribution to the Shadow Board and the IJB and wished her well for the future. Mike Ash added his thanks to Alison and advised that her replacement would shortly be confirmed by NHS Lothian.

4. FINAL FINANCIAL ASSURANCE 2016/17

The Chief Finance Officer had submitted a report to the IJB laying out the final financial assurance process undertaken for 2016/17 after considering the formal offer from NHS Lothian (received on 14 June 2016) and updating the position on East Lothian Council's utilisation of the Social Care Fund (SCF).

Mr King advised that a detailed discussion on financial assurance had taken place at the Audit & Risk Committee meeting held prior to this meeting and his presentation would reflect not only the recommendations contained within his report but also the recommendations of the Committee. He summarised the position following receipt of the formal offer from NHS Lothian in June and the updated position on East Lothian Council's utilisation of the SCF. He referred in particular to the implications of the higher than anticipated cost of implementing the Living Wage and the revised outturn position for Adult Wellbeing for 2015/16 being an overspend of c. £1.2m, rather than the estimated £436,000. He also outlined the outstanding issues relating to the final offer from NHS Lothian including gaps in funding for Set Aside Services and GP prescribing.

Mr King concluded that while the Audit & Risk Committee endorsed the majority of the recommendations contained in his report, the Committee had also recommended that the IJB directs the Chief Officer and Chief Finance Officer to arrange a discussion with East Lothian Council to ensure an appropriate level of 'additionality' to be delivered by the SCF.

Mr Small explained that 'additionality' referred to things which were not already being done such as an increase in Care at Home services, individual high cost packages of care such as mental health, transitions from Children's services and other priorities as set out by the Government.

Councillor Currie emphasised the importance of having a clear definition of 'additionality' and of ensuring that the full 50% of the SCF was allocated to this work. In his view, he did not consider addressing budget overspends as an appropriate use of the SCF. He also commented on the importance of beginning discussions on how to do things differently, how to invest savings in existing or new services and how to measure the impact of recurring overspends on the ability of Partners to deliver efficiency savings. He advised that the Audit & Risk Committee had agreed that Mr Small and Mr King should arrange a discussion with Partners on the way forward, with a view to having a solution in place by the time of the IJB's next meeting (22 September).

Mr Ash welcomed the recommendations. On the issue of 'additionality' he agreed with Councillor Currie and expressed his own concerns that money set aside for this purpose should not be used to cover any gaps in funding or resulting reductions in services. He added that it was disappointing it had taken so long to get to this point and that it was essential that members were reassured, well before the next meeting, that these issues had been resolved.

Responding to questions from Ms Meiklejohn, Mr Small advised that the overspend included the estimated cost of introducing the Living Wage and that the contribution rate from operators had been factored in. Money from the SCF had been held back to fund the Living Wage from October 2016 but it was now clear that the cost was likely to be significantly higher. He added that although the Health Board had chosen to underwrite the funding gap in its budget, neither Partner was required to do so under the terms of the Integration Scheme.

Mr King replied to a question from Councillor Akhtar on GP prescribing. He agreed that it was a difficult issue and, should prescribing costs continue to grow at a similar rate, it was one which would continue to be a cause for concern. He said that a huge amount of work was ongoing and it would not solely be the responsibility of GPs to look at ways of managing this pressure.

Margaret McKay stated that while she supported the principle and practice of introducing the Living Wage, she felt that it was an astonishing use of public money. She enquired whether the subsidy provided through the SCF was for one year only, if

officers were confident that providers who had signed up to the scheme were not also looking for further SCF subsidy in years 2 and 3, and who was taking steps to ensure that providers changed their practices so that those who were entitled to it received the Living Wage.

Mr King advised that the cost of the Living Wage would be recurring and would be likely to cost twice as much next year. He indicated that if the Scottish Government were not prepared to cover the uplift then this would be a serious issue for the IJB. Mr Small added that the Council had written to all providers to confirm what they will be paid for the life of their contracts from 1 October 2016. These will then be replaced by new contracts next year. He also observed that the payment of the Living Wage was a Scottish Government initiative and could be written into the conditions of any new contracts.

Mrs McKay again expressed astonishment at this use of public funds. She also referred to Councillor Currie's point about 'additionality' and doing things differently and asked what was being done to consider how best to use the other half of the SCF.

Mr Small stated that the Strategic Plan set out the IJB's proposals for the development of new and additional services.

Mr Ash observed that Mrs McKay made an important point and he referred to the Integrated Care Fund and other sources of funding available to the IJB if and when it came up with the right ideas.

Peter Murray agreed with some of Mrs McKay's points but said that innovation was coming from different areas and that NHS Lothian was involved in some of that work. He added that it was not that nothing was being done but that these discussions should involve all those who need to be engaged in the process, not just the IJB, to be most productive.

Danny Harvie added that there had been discussions between the Scottish Government and care providers to ensure that contributions were in place but there was still some way to go.

Decision

The IJB agreed to:

- i) Accept the NHS Lothian offer with the following caveats:
 - That the Set Aside pressures are managed by NHS Lothian;
 - That the Partnerships can manage within their health budgets;
 - That the health budget setting model remains indicative until an appropriate baseline position is agreed;
 - That the prescribing budget setting model for 17/18 is clarified and agreed with the IJB;
 - That a proposition to manage the emerging financial pressures within the GP prescribing budgets in 2016/17 is prepared;
- ii) Conclude that the agreement it made with East Lothian Council in relation to the Social Care Fund in March 2016 has been significantly altered by the further information now available. The two key elements being:
 - A considerable increase in the projected overall costs of delivering the Living Wage – c. £800,000

- The revised 2015/16 outturn for Adult Wellbeing which was estimated at an overspend of c. £436,000 and is now reported as an overspend of c. £1.2m.

Direct the Chief Officer and the Chief Finance Officer, reflecting on the movement in the estimates, to arrange a discussion with East Lothian Council to ensure an appropriate level of 'additionality' (for the avoidance of doubt the IJB considers that to be 50%) to be delivered by the Social Care Fund.

- iii) Defer consideration of the recommendation relating to completion of the financial assurance process until its meeting on 22 September 2016.

5. PERFORMANCE REPORT FOR THE INTEGRATION JOINT BOARD – AUGUST 2016

Carol Lumsden, Transformation and Integration Manager, had submitted the East Lothian Health & Social Care Partnership Performance Report for the IJB.

She advised members that information contained in the report was currently embargoed and, when released, it would be published on the Partnership's website. In the meantime, it was thought important to bring forward to the IJB early sight of how East Lothian was performing across a range of core indicators. This information, although still incomplete, would provide the IJB with a benchmark of performance. Identifying successes and giving early notice of areas with scope for improvement. The information would also help to shape the IJB's Directions for the next year.

Ms Lumsden guided members through the document, highlighting key indicators and expanding on what each of the results represented in terms of patient care and service provision.

A lengthy debate followed with members focusing on the outcomes for several areas including delayed discharges, avoidable re-admissions, supporting carers and access to GP services. The considered the impact that increases in population and changes in the demographic across the county was having on service provision, particularly GP services. Members acknowledged that overall many of the figures were encouraging; that significant problems existed in certain areas; and that solutions would require a degree of innovative thinking and changes to the way services were delivered and funded.

Members also discussed the importance of being able to accurately track progress in addressing these challenges. Ms Lumsden indicated that, in addition to this survey which occurred every two years, she was looking into the possibility of doing an annual survey through the Citizen's Panel.

Mrs McKay asked whether it would be possible to adopt the National Health & Wellbeing Outcome (No. 6) in respect of carers, which focused on the carer as a whole person, rather than the narrower National Indicator.

Mr Small advised that these were both set by the Scottish Government but he agreed to consider whether it might be possible to make representations to the Government about amending these outcomes.

Mr Small also proposed bringing a further update on performance management to the IJB by December 2016.

Councillor Currie suggested that the IJB may want to consider setting up a Performance Management Committee to consider this information in more detail and make recommendations to the IJB.

Mr Ash observed that the IJB had previously agreed to receive two reports on performance management and then decide on what to do in future.

Decision

The IJB agreed to note the contents of the report and that a further update on performance management would be provided by December 2016.

6. BELHAVEN HOSPITAL

The Chief Officer had submitted a report asking the IJB to agree a process regarding Ward 2 at Belhaven Hospital.

Mr Small summarised his report outlining the key issues. He advised that following discussions with GPs and hospital staff it was agreed that a Working Group would be set up and would hold its first meeting in early September 2016. Mr Small also proposed that the 'Belhaven Forum' should be re-established as a vehicle for public engagement. The Working Group would engage the Forum in its recommendations and report back to the IJB in October 2016.

Responding to questions from Councillor Currie, Mr Small advised that Ward 2 was currently 50% occupied by delayed discharges. He acknowledged that this was a problem which would need to be worked on and that he hoped that the Hospital at Home service could be seen as a real alternative.

Dr John Turvill pointed out that the Hospital at Home service had been running for 18 months and had a high level of user satisfaction. He added that unless the IJB progressed with this work there would continue to be high numbers of admissions and delayed discharges.

Councillor Currie commented that the Forum would provide the community with an opportunity to thrash out these and other issues. He said it would be important for the IJB to convince local people that there could be a better alternative.

Mr Ash agreed noting that the IJB would often be required to take difficult decisions and this would be a test of how well it could deal with that responsibility.

Dr Richard Fairclough observed that the 24/7 Hospital at Home service would go some way to offering reassurance to patients and families and asked if there was a projected start date. Ms Lumsden replied that April 2017 was the planned date.

The Chair noted that this would be a significant test for the IJB as there was a great deal of affection for Belhaven Hospital.

Decision

The IJB agreed to the proposed process to manage the issues around Ward 2 at Belhaven Hospital.

Signed
Councillor Donald Grant
Chair of the East Lothian Integration Joint Board

East Lothian
Integration Joint Board



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East Lothian Integration Joint Board

Annual Accounts 2015/16

East Lothian Integration Joint Board

Audited Annual Accounts 2015/16

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Audit Arrangements

Under arrangements approved by the Accounts Commission for Local Authority Accounts in Scotland, the auditor with responsibility for the audit of the annual accounts of East Lothian Integration Joint Board (IJB) for the period from 1 July 2015 to 31 March 2016 is KPMG LLP, Saltire Court, 20 Castle Terrace, Edinburgh, EH1 2EG.

Statement

The certified accounts were presented to East Lothian IJB at its meeting of 22nd September 2016.

1. Management Commentary by the Chief Finance Officer

Introduction

The Public Bodies (Joint Working) (Scotland) Act 2014 directs the creation of Integration Authorities to which a range of functions are to be delegated by NHS Lothian Board and East Lothian Council (the 'partners'). East Lothian Integration Joint Board (the 'IJB') was created pursuant to section 1(4)(a) of the Act being a body corporate. The IJB is constituted through its Integration Scheme which was prepared by East Lothian Council and NHS Lothian and presented to Scottish Ministers in March 2015. The Integration Scheme was approved by the Scottish Parliament in June 2015 and the first meeting of the IJB took place on 1 July 2015.

Annual Accounts 2015/16

The IJB is governed by the *Local Government (Scotland) Act 1973* along with the 2014 regulations and these accounts are prepared on that basis.

These accounts cover the period from 1 July 2015 to 31 March 2016.

It should be noted that the IJB had no financial allocations made to it in 2015/16 by either East Lothian Council or NHS Lothian. The IJB did not expend nor direct any expenditure and there are, therefore, no direct financial transactions for 2015/16. The notional financial resources expended to support the IJB in 2015/16 have been identified and are included in the comprehensive income and expenditure statement. However, it should be noted that these costs were borne in their entirety by either East Lothian Council or NHS Lothian as laid out in the Integration Scheme. The IJB was not charged for these services.

The annual accounts present the financial performance of East Lothian IJB for the period from 1 July 2015 to 31 March 2016. The requirements governing the format and content of local authorities' annual accounts are contained in *The Code of Practice on Local Authority Accounting in the United Kingdom* (The Code). The 2015/16 Accounts have been prepared in accordance with this Code.

The Management Commentary outlines financial performance for the year, financial outlook and risks and also provides non-financial strategic and contextual information about the IJB.

Financial Performance

As is discussed above, the IJB did not receive any financial allocation in 2015/16 nor did it direct the expending of any financial expenditure.

Structure and Management of the East Lothian Integration Joint Board

In March 2016 the IJB had the following members

Member	Nominated/Appointed by	Role
Donald Grant	Nominated by East Lothian Council	Voting member, Chair
Mike Ash	Nominated by NHS Lothian	Voting member, Vice Chair
Shamin Akhtar	Nominated by East Lothian Council	Voting member
Jim Goodfellow	Nominated by East Lothian Council	Voting member
Stuart Currie	Nominated by East Lothian Council	Voting member, Chair of Audit and Risk Committee
Alex Joyce	Nominated by NHS Lothian	Voting member
Peter Murray	Nominated by NHS Lothian	Voting member
Alison Meiklejohn	Nominated by NHS Lothian	Voting member
David Small	Appointed by the IJB	Chief Officer
David King	Appointed by the IJB	Chief Finance Officer
Fiona Duncan	Nominated by East Lothian Council	Chief Social Worker
Alison MacDonald	Nominated by NHS Lothian	Chief Nurse
Andrew Flappan	Nominated by NHS Lothian	Consultant
Jon Turvill	Nominated by NHS Lothian	General Practitioner
Thomas Miller	Appointed by the IJB	Staff representative
Elliot Stark	Appointed by the IJB	Third sector representative
Keith Malloney	Appointed by the IJB	Public representative
Richard Fairclough	Appointed by the IJB	General Practitioner
Margaret McKay	Appointed by the IJB	User/Carer representative
Maureen Allan	Appointed by the IJB	Independent Sector representative

Note – all members except those indicated as voting members are non-voting members

Principal Activities

The IJB's principal role has been ensuring the necessary processes, policies and plans are in place to allow local implementation of integrated health and social care services in terms of the Public Bodies (Joint Working) (Scotland) Act 2014 and deliver on the commitments set out within the East Lothian Integration Scheme.

During 2015/16 the key activities of the East Lothian IJB included:

- The preparation, agreement and publication of its Strategic Plan. As required, the IJB set up a Strategic Planning Group which met during the financial year. The Strategic Plan, having been consulted on as required by the regulations, was agreed by the IJB at its meeting of 25 February 2016 and lays out the ambitions for the delivery of the functions delegated to the IJB by the partners per the Integration Scheme;

- Putting in place sound financial governance and assurance arrangements for the IJB in line with national guidance; and
- Appointment of its Chief Officer and Chief Finance Officer to lead integrated services and manage the joint budget.

The goals of the IJB's Strategic Plan are in line with the Scottish Government's nine national outcomes and will be delivered through:

- shifting the balance of care to provide more care delivered at home or in a homely setting rather than in hospital or other institutions;
- ensuring care is person centered, with a focus on the individual and not just specific health and social care needs;
- further improving the joined up approach to working across professions and bodies delivering health and social care functions; and
- ensuring citizens, communities and staff involved in providing health and social care services will have a greater say in how these services are planned and delivered.

Directions for 2016/17

In order to action its Strategic Plan and as required by the Act, the IJB issued directions to both NHS Lothian and East Lothian Council on 31 March 2016. The directions were issued by the Chief Officer to the Chief Executives of both partners.

The directions must include the financial resources to be used to deliver the functions and these financial resources are based on:

- a formal offer from East Lothian Council which was accepted by the IJB at its meeting of 31 March 2016; and
- an indicative offer from NHS Lothian. NHS Lothian was not able to make a final offer before 31 March 2016, because it is not required by the Scottish Government to present its 2016/17 budget until 31 May 2016. At its meeting of 31 March 2016, the IJB agreed to take this indicative proposition.

The IJB's policy on directions – adopted at its meeting of 26 November 2016 – lays out that the IJB's directions will be approved by the IJB prior to issue of the directions. The directions were tabled at the IJB's meeting on 31 March 2016. The IJB agreed to issue the directions at that time and these directions were brought to the first meeting of the IJB in 2016/17 and formally agreed.

Assets and Liabilities

The IJB had no assets or liabilities in 2015/16.

IJB Staff and members

The IJB is not empowered to employ any staff and has not done so. The Chief Officer is employed by NHS Lothian and is seconded to the IJB. The Chief Finance Officer is employed by NHS Lothian and is seconded to the IJB. The professional advisers (Chief Social Worker, Chief Nurse, Consultant and GP) are employed by the nominating bodies.

Financial Outlook and Key Risks

As discussed above, East Lothian Council has made a budgetary offer for 2016/17 to the IJB along with an indicative position for 2017/18 and 2018/19. NHS Lothian's financial allocation offer for 2016/17 was received on 14 June 2016.

Further financial resources for 2016/17 have been made available to the IJB through the Scottish Government's 2016/17 financial settlement. The IJB has received its share of the budget allocation (c. £4.3m) of the Social Care Fund (also called the Integration Fund) and an agreement has been reached with East Lothian Council as to how this resource will be deployed. This agreement is in line with the ambitions articulated through the Deputy First Minister's letter of 27 January 2016. The IJB will provide governance for the use of this fund in 2016/17.

It is clear from the financial plans and statements that there are significant financial challenges in 2016/17 for both NHS Lothian and East Lothian Council and, therefore, for the functions that both these bodies have delegated to the IJB. The national financial outlook for 2017/18, and beyond, will, in financial terms, present an even greater challenge.

The key issues for the IJB in 2016/17 will be ensuring that:

- the implementation of efficiency schemes planned by the partners in 2016/17 will not impact on the ability of the IJB to deliver its strategic plan;
- the social care fund resources are used in line with the ambitions of the Scottish Government in a way that will build additional capacity in the system and allow redesign and the ability to improve the cost base in future years; and
- the IJB can take the financial planning lead for those functions for which it is now responsible for 2017/18 and thereafter have a clear financial baseline established in 2016/17 from which to move forward.

Signed

Date

Donald Grant
IJB Chair

David Small
Chief Officer

David King
Chief Finance Officer

2. Statement of Responsibility

This sets out the respective responsibilities of the IJB and the Chief Finance Officer.

The IJB's Responsibilities

The IJB is required to:

- make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. For the East Lothian IJB, the responsible officer is the Chief Finance Officer;
- manage its affairs to secure economic, efficient and effective use of resources and to safeguard its assets;
- ensure that the Annual Accounts are prepared in accordance with legislation (The Local Authority Accounts (Scotland) Regulations 2014), and so far as is compatible with that legislation, in accordance with proper accounting practices (section 12 of the Local Government in Scotland Act 2003); and
- approve the Annual Accounts.

The Chief Finance Officer's Responsibilities

The Chief Finance Officer is responsible for the preparation of the IJB's annual accounts in accordance with proper accounting practices as required by legislation and as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom (the Code)

In preparing this statement of accounts, the Chief Finance Officer has:

- selected suitable accounting policies and then applied them consistently;
- made judgments and estimates that were reasonable and prudent; and
- complied with legislation and the Code, except where stated in the policies and disclosure notes.

I certify that these Annual accounts present a true and fair view of the financial position of the IJB as at 31 March 2016.

Signed:

Date:

**David King
Chief Finance Officer**

3. Annual Governance Statement

East Lothian IJB is responsible for ensuring that its business is conducted in accordance with the law and proper standards. This is to allow public funds at its disposal to be safeguarded and used efficiently and effectively in pursuit of best value.

Board members including the Chief Officer and Chief Finance Officer are responsible for the governance of the business affairs of East Lothian IJB. This includes:

- setting the strategic direction, vision, culture and values of the IJB;
- establishing appropriate and cost effective systems, processes and internal controls to allow the strategic objectives to be delivered.

It should be noted that development work continues on the risk management process and the whistle-blowing and fraud prevention procedures and processes. East Lothian IJB's financial management arrangements conform to the requirements of the CIPFA Statement on the role of the Chief Financial Officer in Local Government. The Chief Finance Officer has overall responsibility for the IJB's financial arrangements and is professionally qualified and suitably experienced.

In discharging this responsibility, the Chief Officer has put in place arrangements for governance which includes the system of internal control. This is designed to manage risk to a reasonable level, but cannot eliminate the risk to failure to achieve policies, aims and objectives and can therefore only provide reasonable but not absolute assurance of effectiveness.

The IJB is responsible for conducting each financial year, a review of the effectiveness of its governance framework, including risk management and the systems for internal control and financial control. The review of the effectiveness of the IJB's governance framework is informed by:

- the work of the IJB, the Strategic Planning Group and the Audit & Risk Committee;
- the annual assurance questionnaires that are provided by the Chief Officer and the Chief Finance Officer;
- the Chief Internal Auditor's annual report which is based on internal audit work completed during the year; and
- reports from other external review bodies, agencies and inspectorates.

In addition, the Chief Officer and the Chief Finance Officer are required to undertake an annual self-assessment of their area of responsibility using an assurance template where key elements of governance are examined.

These assessments did not highlight any issues that would impact on the level of effectiveness of the IJB's governance framework. However, a number of improvements were identified and are discussed in the action plan below. It should be noted that the IJB has only been constituted for nine months and

it is considered acceptable at this stage that there are still some fairly significant issues to be addressed.

The statement has also been informed by the work undertaken by Internal Audit which, following the requirements of the Local Authority Accounts (Scotland) Regulations 2014, conducted an annual review of the effectiveness of the IJB's system of internal control. The Chief Internal Auditor has responsibility for the IJB's Internal Audit function and reports functionally to the Audit and Risk Committee to allow appropriate independence. The Chief Internal Auditor is professionally qualified and suitably experienced to lead and direct the Internal Audit team. The Internal Audit service operates in accordance with the Public Sector Internal Audit Standards.

The Chief Internal Auditor concluded that subject to weaknesses identified, reasonable assurance can be placed on the overall adequacy and effectiveness of the IJB's framework of governance, risk management and control for the period from 1 July 2015 to 31 March 2016. These improvements are reflected within the action plan detailed below.

The results from these reviews were presented to the June 2016 Audit and Risk Committee of the IJB along with the Annual Governance Statement for approval.

Statutory and Other Compliance

East Lothian IJB (the 'Board') has secured compliance with statutory and other requirements, as follows:

- **Membership** - its minimum membership (voting and non-voting) is set by statutory instrument, with the power to appoint additional members as it sees fit. The Board's membership is fully populated;
- **Standing Orders** - the Board is required by statutory regulations to have Standing Orders to regulate its business, with some aspects stipulated in those regulations. Standing Orders were adopted at the inaugural meeting, complying with statutory requirements;
- **Committees** - the Board has established an Audit & Risk Committee with a detailed remit, powers, and with the membership clearly defined. This complies with statutory requirements and with the Board's Standing Orders;
- **Meetings** - the Standing Orders adopted by the Board allow the public to have prior access to meeting agendas and reports, and to attend meetings of the Board and its committees - except in clearly defined and limited circumstances;
- **Strategic Plan** - the Board established its Strategic Planning Group as required by legislation, with Terms of Reference approved by the Board covering membership, meetings and meetings procedures;
- **Officers** - the Board appointed a Chief Officer and a Chief Finance Officer as required by the legislation. It is currently finalising the appointment of a Standards Officer in relation to its statutory Code of Conduct for Members. A Chief Internal Auditor has been appointed to carry out the Board's internal audit requirements and assist its Audit and Risk Committee;

- **Finance** - the Board received reports in relation to financial assurance prior to the setting of budgets (for 2016/17) for the integrated functions by East Lothian Council and NHS Lothian. It adopted Financial Regulations in relation to the conduct of its financial affairs, the maintenance of its accounting and financial records, and its annual accounts ; and
- **Code of Conduct** - pending finalisation of arrangements for a Code of Conduct for Members, the Board adopted an interim Code based on the existing Model Code for Members of Devolved Public Bodies in Scotland, and members have registered their interests according to that Code. Those arrangements are in the course of being finalised now that a Model Code for Integration Joint Boards has been produced, and the Register of Members' Interests will thereafter be published and made available for inspection.

Action Plan

Through the Board and the Audit and Risk Committee, further work will be progressed and will be carried out in relation to governance of these particular aspects of the Board's statutory duties and powers:

Area for Improvement	Proposed Action in 2016/17
Finalisation of the 2016/17 financial assurance process including a formal offer of financial resources from NHS Lothian	NHS Lothian's financial allocation offer for 2016/17 was received on 14 June 2016. The final financial assurance for 2016/17 will be presented to the IJB.
The financial plan that underpins the IJB's Strategic Plan should cover a three year period	Although NHS Lothian have only made an offer for one year, East Lothian Council have made a three year indicative position. As part of the response to NHS Lothian's offer a request will be made for three year indicative budgets.
Completion of a financial risk sharing agreement between the IJB and its partners	The IJB has asked the Chief Officer and the Chief Finance Officer to pursue this. This will be part of the discussion around the reporting of the financial performance to the IJB which will require to be completed before the mid- year financial review.
Finalisation of the actions requiring to be undertaken by the partners to support the IJB as laid out in the IJB's integration scheme	A letter was sent to both partners by the IJB's Chair (dated 17 May) detailing the outstanding actions from the Integration Scheme and asking for a report from the partners for the IJB's meeting on 25 August 2016.

Further development of the performance management framework for the IJB	The IJB is working with its partners to agree and implement a system of performance management (including financial performance). Indicative reports and further updates on progress are planned for the IJB's meeting in September 2016.
Further developments in the risk management system for the IJB.	A draft proposal and risk register was submitted to the IJB's Audit and Risk Committee on 23 March 2016 with a further report along with an updated risk register which was presented to the Audit and Risk Committee on 21 June 2016.

Donald Grant, Chair of the IJB

Signed:

Date:

David Small, Chief Officer

Signed:

Date:

4. Remuneration Report

The Local Authority Accounts (Scotland) Regulations 2014 (SSI No. 2014/200) require local authorities and IJBs in Scotland to prepare a Remuneration Report as part of the annual statutory accounts.

Voting Board Members

Voting IJB members constitute councillors nominated as board members by constituent authorities and NHS representatives nominated by NHS Boards. The voting members of the East Lothian IJB were appointed through nomination by NHS Lothian and East Lothian Council.

Voting board members do not meet the definition of a 'relevant person' under legislation. However in relation to the treatment of joint boards, Finance Circular 8/2011 states that best practice is to regard Conveners and Vice-Conveners as equivalent to Senior Councillors. The Chair and the Vice-Chair should therefore be included in the IJB remuneration report if they receive remuneration for their roles.

For 2015/16 the voting board members received the following remuneration for the period from 1 July 2015 to 31 March 2016.

Role	Name	Remuneration (£)
Chair	Donald Grant	None
Vice-Chair	Michael Ash	6,066

The payment to Mike Ash also relates to his membership of the East Lothian Community Planning Partnership.

IJB Chief Officer

The remuneration and contract of employment of the Chief Officer is set by NHS Lothian. In line with the Public Bodies (Joint Working) (Scotland) Act 2014, the Chief Officer is regarded as an employee of the IJB when undertaking duties for the Board. This is estimated at 50% of the Chief Officer's time since appointment on 1 July 2015.

The statutory responsibility for the Chief Officer's employer pension liabilities rests with NHS Lothian.

Other officers, including the Chief Finance Officer, are not regarded as employees of the IJB. Therefore, such officers do not feature in the Integration Joint Board remuneration report but may feature, as relevant, in the remuneration report of the employing partner.

For 2015/16, the Chief Officer received the following remuneration for the period 1 July 2015 to 31 March 2016 as follows:

Role	Name	Remuneration (£)
Chief Officer	David Small	36,346

Expenses Policy

The IJB does not reimburse (or direct to be reimbursed) any expenses for its members. Employees of NHS Lothian and East Lothian Council will be governed by their policies.

5. Financial Statements

COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT

This statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices

COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

	2015/16		
	Gross expenditure £000	Gross income £000	Net Expenditure £000
Corporate and democratic core	53	(53)	-
(Surplus)/deficit on provision of services	53	(53)	-
Other comprehensive (income)/expenditure			-
Total comprehensive income and expenditure			-

BALANCE SHEET

The Balance Sheet shows the value as of the assets and liabilities recognised by the board. The net assets of the Board are matched by the reserves held by the Board.

BALANCE SHEET AS AT 31 MARCH 2016

	£000
Current assets	
Short term debtors	-
Current liabilities	
Short term creditors	-
Net assets	<u>-</u>
Usable reserves	-
Total reserves	<u>-</u>

These financial statements were approved by the Board on 22 September 2016 and signed on its behalf by:

David King
Chief Finance Officer

Date :

NOTES TO ACCOUNTS

NOTE 1 ACCOUNTING POLICIES

The IJB will follow the accounting policies and guidelines laid out as appropriate under the 1973 Act and the 2014 regulations. A statement on accounting policies follows the financial statements below:-

a) General Principles

The Annual Accounts for the period ended 31 March 2016 have been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2015/16 (the Code) and the Service Reporting Code of Practice. This is to ensure that the accounts 'present a true and fair view' of the financial position and transactions of the East Lothian Integration Joint Board.

b) Corresponding Amounts

The East Lothian Integration Joint Board was established on 1 July 2015 and hence the period to 31 March 2016 is its first period of operation. Consequently there are no corresponding amounts for previous years to be shown.

c) Accruals of Income and Expenditure

Activity is accounted for in the year that it takes place, not simply when cash payments are made or received. In particular where income and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet.

d) VAT Status

The Integration Joint Board is non-taxable and does not charge or recover VAT on its functions. VAT payable is included as an expense only to the extent that it is not recoverable from HMRC.

e) Cash & Cash Equivalents

The IJB does not hold a bank account or any cash equivalents. Payments to staff and suppliers relating to delegated services will be made through cash balances held by the partner organisations (NHS Lothian and East Lothian Council). On this basis no Cash Flow statement has been prepared in this set of annual accounts.

f) Accounting Standards Issued not Adopted

The code requires the disclosure of information relating to the impact of an accounting change that will be required by a new standard that has been issued but not yet adopted. The following accounting standards have been issued but are not yet adopted in the 2015/16 Code of Practice on Local Authority Accounting in the United Kingdom:

- Amendments to IAS 19 Employee Benefits (Defined Benefit Plans: Employee Contributions)
- Amendment to IAS 1 Presentation of Financial Statements (Disclosure Initiative)

- Annual Improvements to IFRSs (2010-12 and 2012-14 Cycles)
- Changes to the format of the Comprehensive Income and Expenditure Statement, the Movement in Reserves Statement and the introduction of the new Expenditure and Funding Analysis

These amendments will be adopted in the 2016/17 Code of Practice on Local Authority Accounting in the United Kingdom and the IJB will be required to reflect them, as necessary, in its 2016/17 Annual Accounts. It is not anticipated that any of these amendments will have a significant impact on the IJB. In respect of the last item listed above, however the comparator (2015/16) information will also require to reflect the new formats and reporting requirements.

NOTE 2 RELATED PARTY TRANSACTIONS

The East Lothian Integration Joint Board was established on 1 July 2015 as a joint board between East Lothian Council and NHS Lothian. In 2015/16 there were no financial transactions made relating to delegated health and social care functions as functions are not delegated by partners to the Integration Joint Board until 1 April 2016. The income received from the two parties was as follows;

	2015/16 £000
NHS Lothian	26
East Lothian Council	26
Total	<u><u>52</u></u>

Expenditure relating to the two parties was as follows;

	2015/16 £000
NHS Lothian	26
East Lothian Council	26
Total	<u><u>52</u></u>

	2015/16 £000
Staff Costs	48
Admin Costs	0
Audit Fees	5
Total	53

The IJB was in receipt of NHS Lothian and East Lothian Council support services in 2015/16. The Integration Scheme lays out that no charge will be made by either NHS Lothian or East Lothian Council for these services. This includes the provision of a Chief Finance Officer, strategic planning services, accommodation, HR and transactional services. These services were provided by both the Council and NHS Lothian. Staff costs in 2015/16 were for the IJB Chief Officer.

No non-audit fees were paid to KPMG LLP in the period.

NOTE 3 MOVEMENT IN RESERVES

	2015/16 £000
Usable Reserves – General Fund brought forward	0
Surplus/(deficit) on provision of services	0
Other comprehensive expenditure and income	0
Total comprehensive expenditure and income	0
Total General Fund balance carried forward	0

NOTE 4 POST BALANCE SHEET EVENTS

No material events have occurred post the balance sheet reporting date.

NOTE 5 CONTINGENT LIABILITIES & ASSETS

There are no contingent liabilities or assets to disclose.

NOTE 6 EMPLOYEE BENEFITS

The Chief Officer is regarded as an employee of the IJB although their contract of employment is with NHS Lothian.

The post is funded by the IJB however the statutory responsibility for employer pension liabilities rests with the employing partner organisation (NHS Lothian).

The remuneration report presents the pension entitlement attributable to the post of the IJB Chief Officer but that the IJB has no formal ongoing pension liability. East Lothian integration Joint Board will be expected to fund employer pension contributions as they become payable during the Chief Officer's period of service. On this basis there is no pensions liability reflected on the IJB balance sheet for the Chief Officer.

6. Independent Auditors Report

Independent auditor's report to the members of East Lothian Integration Joint Board and the Accounts Commission for Scotland

We certify that we have audited the financial statements of East Lothian Integration Joint Board for the period ended 31 March 2016 under Part VII of the Local Government (Scotland) Act 1973. The financial statements comprise of the Comprehensive Income and Expenditure Statement, Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union, and as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2015/16 (the 2015/16 Code).

This report is made solely to the parties to whom it is addressed in accordance with Part VII of the Local Government (Scotland) Act 1973 and for no other purpose. In accordance with paragraph 125 of the Code of Audit Practice approved by the Accounts Commission for Scotland, we do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

Respective responsibilities of the Chief Finance Officer and auditor

As explained more fully in the Statement of Responsibilities, the Chief Finance Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) as required by the Code of Audit Practice approved by the Accounts Commission for Scotland. Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the circumstances of the body and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Chief Finance Officer; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual accounts to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view in accordance with applicable law and the 2015/16 Code of the state of the affairs of the body as at 31 March 2016 and of the income and expenditure of the body for the period then ended;

- have been properly prepared in accordance with IFRSs as adopted by the European Union, as interpreted and adapted by the 2015/16 Code; and
- have been prepared in accordance with the requirements of the Local Government (Scotland) Act 1973, The Local Authority Accounts (Scotland) Regulations 2014, and the Local Government in Scotland Act 2003.

Opinion on other prescribed matters

In our opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with The Local Authority Accounts (Scotland) Regulations 2014; and
- the information given in the Management Commentary for the period for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We are required to report to you if, in our opinion:

- adequate accounting records have not been kept; or
- the financial statements and the part of the Remuneration Report to be audited are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit; or
- the Annual Governance Statement has not been prepared in accordance with Delivering Good Governance in Local Government; or
- there has been a failure to achieve a prescribed financial objective.

We have nothing to report in respect of these matters.

Andrew Shaw (for and on behalf of KPMG LLP)
20 Castle Terrace
Edinburgh
EH1 2EG



REPORT TO: East Lothian Integration Joint Board

MEETING DATE: 22 September 2016

BY: Chief Finance Officer

SUBJECT: Financial Assurance - Update

6

1 PURPOSE

- 1.1 This report updates the IJB on the current position of the financial assurance process for the 2016/17 budget setting process further to the paper presented to the IJB at its August meeting.

2 RECOMMENDATIONS

It is recommended that the IJB:

- 2.1 Agree to propose to East Lothian Council that:
- 2.1.1 The Social Care Fund should support an additional £800k to underpin the costs of implementing the living wage.
- 2.1.2 That the balance of c £1m should be invested in home care commissioning budgets.
- 2.1.3 East Lothian Council should accept the residual financial risk in the Adult Wellbeing budget in 2016/17.
- 2.1.4 East Lothian Council and the IJB should jointly approach the Scottish Government to discuss the costs of funding the living wage.
- 2.2 Ask the Chief Officer, through discussion with ELC colleagues, to agree the impact of these proposals on the adult wellbeing budget along with an agreement on how the IJB can be assured of the 'additionality' achieved through the social care investments.

3 BACKGROUND

- 3.1 A report was presented to the IJB's August meeting laying out the financial assurance for the proposed 2016/17 budgets. This was further to a report accepted by the IJB at its March 2016 meeting where the IJB accepted the budget offer from East Lothian Council along with East

Lothian Council's proposed use of the Social Care Fund (also called the Integration Fund). The August paper updated the proposition for the use of the social care fund based on information which was not available in March 2016 and this information identified potential pressures within the use of the social care fund arising from the changes to the estimates of the costs of delivering the living wage and the revised 2015/16 out-turn. This might mean that ELC is unable to deliver the full additionality that the IJB was required to deliver through the use of the Social Care Fund.

3.2 The IJB asked the Chief Officer and Chief Finance Officer to meet with East Lothian Council to discuss the use of the Social Care Fund. Three meetings have been held. The meetings discussed all aspects of the use of the fund and the current financial situation in adult social care.

3.3 The current agreed usage of the social care fund has been applied to the adult social care budgets as follows in line with the proposal accepted by the IJB at its March 2016 meeting:

Pressures:

- Living Wage - £500k
- Pay awards - £464k
- 15/16 out-turn – £436k
- Care Home Contract – £250k
- Direct Payments – £200k
- Other - £335k

Total – 2,185k

Additionality:

There are elements of additionality that are proposed should be agreed:

- Two new high cost packages – £225k
- Cost of changing thresholds on non-residential charging – £140k

Leaving c. £1,820k for further additionality.

3.4 It is now known that the actual costs of the living wage in care at home and direct payments will cost £130k more than above (mainly due to the late ruling that sleepovers were to be included) and the care home contract will cost £628k more than allowed for in the pressures above (the care home movement reflects the costs of the living wage). East Lothian Council has confirmed that it has factored in a 25% contribution to the increase from care at home providers. Giving a total pressure of £758k. The real costs of these changes only became apparent after East Lothian Council set its budget in February 2016 and are a result of national agreements out with the control of the Council or the IJB. It is proposed that the IJB consider a joint approach with East Lothian Council to the Scottish Government to discuss the real costs of these two elements compared to the original estimates. At national level the government estimated that c£37m of the £250m Social Care Fund would

be required to fund the living wage and it is likely to cost around twice this amount.

- 3.5 In the meantime, however they represent real pressures on the adult social care budget and will largely take effect from 1 October 2016. It is proposed that the IJB agree to fund the full costs of the living wage and the national care home contract pending discussion with the Scottish Government. If the IJB is unable to support this position then the Council will have to consider further efficiencies above the current 2.4m. Evidence to the Health and Sport Committee suggests that many IJBs have agreed that funding the living wage is an appropriate call on the social care fund.
- 3.6 It is now known that adult social care was significantly overspent in 2015/16, an actual overspend which was considerable greater than the estimate allowed for in the pressures above. Further analysis suggests that an element of this overspend is non-recurrent and that the underlying financial pressures in adult wellbeing may not be at the out-turn value. That said, it is not proposed that the Social Care Fund should fund the difference. The Director of Health and Social Care will develop a recovery plan for East Lothian Council. This will be of relevance to the IJB since the IJB's Scheme of integration (section 9.4 *et seq*) lays out actions to be taken in the event of any projected overspends by either the NHS Board or the Council.
- 3.7 Having supported in full the costs of the living wage, this will leave a balance for additionality of c. £1.0m. It is proposed that this is invested in additional care at home hours for both adults and older people.
- 3.8 The IJB now requires a further update from ELC on the financial projections for the Social Care budgets delegated to the IJB as a result of the position laid out above. It also requires an understanding of and an assurance on the 'additionality' that has been delivered as a result of the Social Care Fund investments. This matter requires to be pursued by the Chief Officer with East Lothian Council colleagues.
- 3.9 The issues arising from these proposed actions in 2016/17 must be addressed as part of the financial planning process for 2017/18.

4 POLICY IMPLICATIONS

- 4.1 There are no further policy implications arising from this document.

5 INTEGRATED IMPACT ASSESSMENT

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

6 RESOURCE IMPLICATIONS

- 6.1 The resource implications are discussed above but, in summary these cannot be adequately analysed until a final position is available.

7 BACKGROUND PAPERS

- 7.1 Financial Assurance report to the Audit and Risk Committee - 23 March 2016.

AUTHOR'S NAME	David King
DESIGNATION	Chief Finance Officer
CONTACT INFO	David.King@nhslothian.scot.nhs.uk
DATE	14 September 2016



REPORT TO: East Lothian Integration Joint Board
MEETING DATE: 22 September 2016
BY: Chief Officer
SUBJECT: Delayed Discharges

7

1 PURPOSE

- 1.1 This report updates the Integration Joint Board (IJB) on performance on delayed discharges in East Lothian and asks the IJB to agree further actions.

2 RECOMMENDATIONS

- 2.1 That the IJB notes the recent worsening trend on performance.
- 2.2 That the IJB agrees that the resources identified by the Chief Officer to improve performance should be deployed in procuring additional capacity in home care.

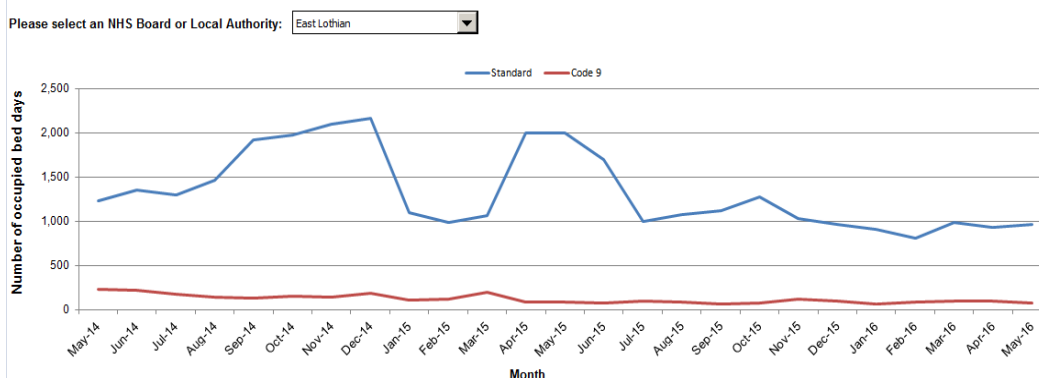
3 BACKGROUND

- 3.1 The IJB has a key strategic objective to minimise the total number of delays, meet the current two week target and work towards the 72 hour indicator. No date has been set for achievement of the 72 hour indicator. The indicator comes from the Health and Social Care Integration Public Bodies (Joint Working) (Scotland) Act 2014—Core Suite of Integration Indicators March 2015. This was informed by the Delayed Discharge Task Force report October 2011 Annex A Recommendations *‘A perception should be promoted that 2-3 days be considered a reasonable period for someone to return home’*.
- 3.2 From July 2016, the NHS National Services Scotland introduced revised Delayed Discharge National Data Requirements. The main change, as it affects Partnerships is an increase in the number of clients/patients captured at census. The rules now allow for all non-complex, clients/patients as at 00.01 on the day of census (last Thursday of the month) to be included in the snapshot. Previously clients/patients, who had a planned discharge up to 3 working days post census, were excluded from the count. This rule change adds between 15-25% to the reported figure, from the previous reporting rules.

Increasingly, the level of Occupied Bed Days (OBD) has taken as much significance as the individuals counted in a monthly snap shot. This gives a better indicator of capacity and system usage over the whole month, as opposed to those captured on one day in any given month. Since May 2014 this has been recorded and from July 2016, is part of the IDS preset Monthly Data Delayed Discharge algorithm.

The OBD data for July 2016 onwards is yet to be released. However the table below does show an improvement in both standard and complex (code 9) total OBD's for the East Lothian Partnership across the last two years.

Tab 3 - Bed Days Occupied by Delayed Discharge Patients, by Delay Type: East Lothian, May 2014 to May 2016



1. Occupied bed days information is available up to May 2016

Source: ISD Scotland

3.3 Performance in July and August 2016 census is reported below. These figures continue to show a very challenging situation, even allowing for the additional numbers capture by the new census rules.

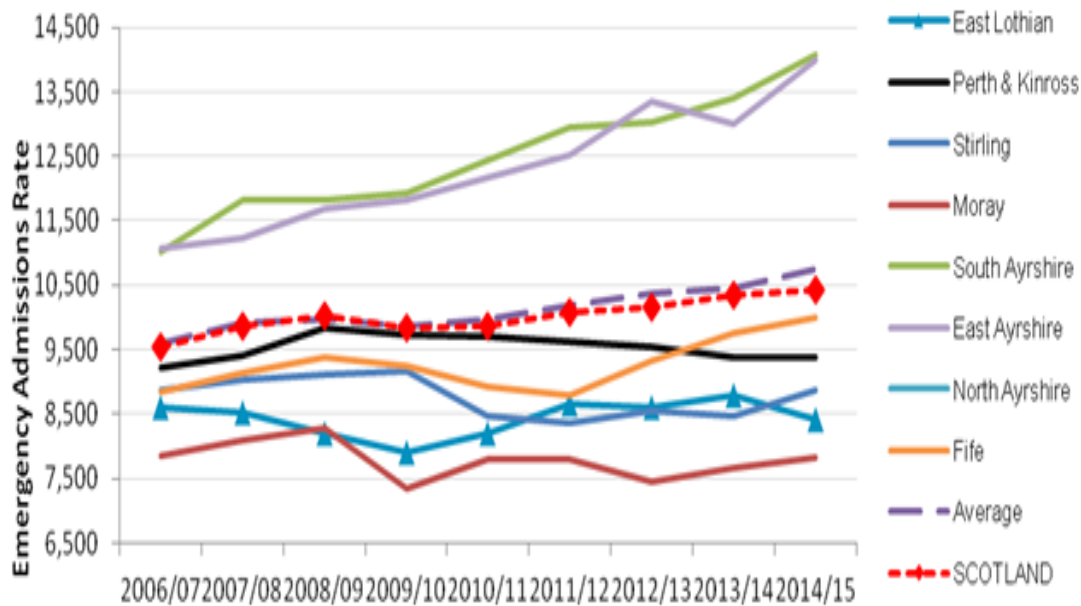
ISD Reportable delays on census day	Jul-16	Aug-16
standard and complex	40	61
those standard, in breach of the 2 week standard	22	29

All Delays on Census day	Jul-16	Aug-16
<i>unwell</i>	3	1
<i>reprovisioning</i>	2	5
complex	3	3
standard- undergoing social needs assessment	4	4
standard- care home	15	19
standard- care at home	18	35
standard- carer family disputes	0	0
Total	45	67

- 3.4 Performance on total number of validated census counting delays for East Lothian for the last four years across July and August is below. Even allowing for the census rule change capturing between 15 and 25% more, the jump in 2016 is significant.

Year	July	August
2013	30	21
2014	25	30
2015	14	20
2016	37	58

- 3.5 This is not restricted to East lothian, all Lothian and indeed most of Scotland is experiencing heavy increases in hospital delayed discharges waiting for Care at Home.
- 3.6 In addition, East Lothian Council has been required to suspend admissions to Tranent Care Home and there are currently 11 vacancies in that home.
- 3.7 Significant efforts have been made to support care homes in East Lothian through Adult Wellbeing, General Practices and the NHS Care Home Liaison Service.
- 3.8 Delayed discharges are part of a picture of the health of the whole system. Account also needs to be taken of hospital admissions and length of stay in hospital. East Lothian's performance in relation to emergency admissions has been improving as shown in the chart below (East Lothian is the line with triangles). However, our residents in hospital have more occupied bed days than our peer partnerships which is partly a reflection of our historically poorer performance on delayed discharges. Thus improving delayed discharge performance will reduce our utilisation of acute hospital beds.



- 3.9 Previous reports to the IJB included a summary of actions taken through the allocation of the delayed discharge fund. Improvement in assessment processes, establishment of Hospital to Home service and expansion of the NHS Care Home Support Team. These actions are still all in place but have not been able to offset the decline in capacity in home care and the restriction in access to Tranent Care Home.
- 3.10 The current Help to Live at Home framework is currently unable to provide around 1,786 hours of care each week (as of 8th September 2016). Not all of this represents people without care, since some relates to people waiting to change provider or for a change in an existing package.
- 3.11 The IJB previously asked the Chief Officer to lead work to implement the Living Wage by October 2016 and to develop costed proposals to increase total capacity in care at home.
- 3.12 The Living Wage in home care has been actioned and all providers have been offered a rate from October 2016 which East Lothian Council believes will enable them to pay the Living Wage. Providers are in the process of responding to the Council's proposal. The national care home contract uplift (which includes funding for the living wage) has been actioned in two steps. The first step has been paid from April 2016 and the second will be paid from October 2016.
- 3.13 Following the IJB discussion on financial assurance and on the assumption that the IJB has agreed with the proposals on that issue, it is proposed that the balance of the social care fund be allocated to the commissioning budgets for home care.
- 3.14 On this assumption, preparatory work has been done to develop a means to attract providers to provide additional blocks of care specifically targeted at delayed discharges. These blocks of care would be delivered between now and the implementation of the new contract for care at home in 2017/18 and the activity level created by the blocks would be included in the volume of activity in the new contract.

3.15 If the IJB agrees the financial assurance proposals these actions will be pursued.

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 Resource implications are that c £0.7m of additionality in the social care fund will be allocated by East Lothian Council to the commissioning budgets for home care.

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	13 September 2016



REPORT TO: East Lothian Integration Joint Board
MEETING DATE: 22 September 2016
BY: Chief Officer
SUBJECT: Developing Specialist and Care at Home Support Services

8

1 PURPOSE

- 1.1 To update the IJB on the Project; Developing Specialist Support and Care at Home Services for Adults and Children in East Lothian and to seek IJB agreement to the model of care.

2 RECOMMENDATIONS

- 2.1 The IJB is asked to agree the model of care to be procured by East Lothian Council.
- 2.2 The IJB is asked to agree that a revised direction DO2a should be issued to East Lothian Council.

3 BACKGROUND

- 3.1 In direction DO2a the IJB asked East Lothian Council to:

“Develop and implement a new commissioning and tendering process for care at home services which drives comprehensive service redesign, more innovative, integrated solutions, significantly greater resource efficiency and service user satisfaction by April 2017.”

- 3.2 Currently the Council purchases 21,388 hours per week of Care at Home from external Care Providers. The majority of hours (21,000) are purchased for adults and older people.. The total cost of these services is £17.5m per annum.
- 3.3 There are two main Frameworks in place; “Help to Live at Home” which has 8 Providers who deliver Care at Home (CAH) and Housing Support to mainly people over 65. “Specialist Framework” with 8 Providers who deliver Care at Home to people under 65 who have been classed as having a Learning Disability, Physical Disability or Mental Health

Problems. There is one supplier for CAH for children on the Framework. Across all client groups there is also significant purchase off Framework.

3.4 A project team was set up in November 2015 with the following aims for a new Care at Home and Housing Support Framework;

- To improve Capacity of Care at Home and Housing Support Provision across East Lothian
- To improve and sustain quality provision in Care at Home Services in East Lothian.
- To join two Frameworks into one Framework
- To support the implementation of the (Self-directed Support) (Scotland) Act 2013
- To incorporate Providers of Children's CAH services onto the Framework.

3.5 The new Framework will allow for Providers to deliver CAH and Housing Support to all Service Users who had been assessed as requiring such a service.

3.6 **The Framework will have two models of Care Delivery;**

a) Time and Task

The majority of Care at Home and Housing Support being purchased in East Lothian is via a service that is most commonly described as 'Time and Task'. It is primarily based on a Support Plan developed by the Council and the Supported Person, which specifies the support required from the Provider. This support takes the form of a series of care tasks which are delivered at specified times of the day over a period of a week. Each visit is restricted by a pre-arranged time and a list of previously agreed tasks which will meet assessed outcomes. This support is paid for through an agreed hourly rate.

b) Personal Budget;

This model focuses on the Provider developing and costing an individual's support plan. The assessment process generates the needs of an individual which are then translated into desired outcomes based on East Lothian Council Eligibility Criteria, it is decided which personal outcomes the Council will agree to fund. The cost of meeting these outcomes is given an approximate cost known as the Indicative Budget. The indicative Budget is generated by the assessment. This is then checked and verified to become an agreed Personal Budget.

Assessment of Service Users

3.7 The development of the Service Specification for the Framework has been influenced by a significant amount of Stakeholder Engagement; this included the re-assessment of the needs and outcomes of 210 service

users on the Specialist Framework. This re-assessment process helped identify where services weren't meeting needs and why. The process of reassessment also highlighted the need for a more robust outcomes focussed assessment and review process. This work was taken forward by operational staff in Adult Wellbeing and supported the implementation of Self Directed Support (SDS).

Night Time Support

3.8 The project has also highlighted the need for more robust assessments in relation to Night-time support. The Night Time Support (NTS) element of the project engaged with providers to identify how and in what way sleepover provision is currently delivered and how it could be configured in the future. This work is closely linked to the setting of personal budgets; developments in housing design and provision; and innovations in Technology Enabled Care (TEC). A key ethos in this process is working collaboratively with providers to gauge and encourage innovative ways to provide support at night to reduce reliance on traditional sleepover arrangements.

3.9 The Night Time Support element of the project aims to:

- Continue to provide NTS to those with eligible and assessed needs
- Ensure provision of NTS is efficient and effective both in quality and cost
- Maintain safety of individuals
- Future proof for expected demographic and organisational changes
- Maximise independence
- Explore innovations in Technology Enabled Care (TEC) to utilise the range of support available at night

3.10 The key outcome for the NTS part of the project is to gather a range of data and information on current and future sleepover provision to inform the re-modelling element of Developing Specialist Support and Care at Home Services project.

Improving Capacity

3.11 Providers will not be asked to work in geographic Zones (as they are at present), but rather a more collaborative approach will be taken to allocation of work, with Providers able to deliver across the county. This new way of working should allow providers to form clusters of work meaning they become more efficient in delivery of services and reduce travel time.

3.12 A collaborative approach to allocation of work will also strengthen the partnership between Provider and Council which is crucial to meet all needs.

Incentivising and Sustaining Quality Services

- 3.13 The Framework will set a minimum of Care Inspectorate Grade 3 from previous two inspections to gain entry onto the Framework. Once on the Framework those who have a Grade 4 or above for previous two inspections, will be able to be considered for financial uplifts and will be able to work with Service Users on the Personal Budget Model.

Improving Community Resources

- 3.14 The project has also identified the need for more community based support. An organisation which supports people to integrate into their own communities has been commissioned for one year. The organisation, Neighbourhood Networks, will help up to 30 people meet their outcome of being more involved in their own communities and less reliant on one to one support and is set to realise cost savings..

4 POLICY IMPLICATIONS

- 4.1 Procurement Policy for Health and Social Care Partnership.
- 4.2 The following outcomes of this project are aligned with the East Lothian Integration Joint Board Strategic Plan 2016 -2019 and the East Lothian Single Outcome Agreement.
- People will live more independent lives with more control and choice
 - Health and wellbeing inequalities will be reduced between communities and groups
 - Everyone will have access to high quality, sustainable housing or a homely setting
 - More care will be delivered closer to home
 - Capacity will be improved
 - Hospital admissions and delays in returning home will be reduced
 - Carers (paid and unpaid) will be valued and supported in their caring role
 - Preventative and re-ablement services will be delivered
 - Public funds will be used more effectively to deliver more for less
 - Communities will have accessible, meaningful activities
 - Structural inequalities will improve consistency in Personal Budget allocations

More specifically, the project will achieve these outcomes by:

- Establishing an inclusive project board with clear purpose and governance
- Having a clear communication strategy from the outset
- Resourcing the expertise, workforce and systems to see the project to conclusion
- Using the project to inform and decide on future procurement decisions
- Involving a wide range of stakeholders in the design and the delivery of the project
- Following accepted commissioning models and standards
- Procuring re-modelled frameworks for specialist community supports and care at home.

5 INTEGRATED IMPACT ASSESSMENT

- 5.1 The subject of this report has been through the Integrated Impact Assessment process and no negative impacts have been identified.

6 RESOURCE IMPLICATIONS

- 6.1 The current total spend for all care at home and housing support from both of these frameworks is £17.5 million.
- 6.2 There is the potential for movement of care worker staff within the market as a result of this procurement activity.
- 6.3 Other – there is uncertainty about the funding arrangements for future increases in the living wage in home care. This will require close working in financial planning between the IJB and East Lothian Council.

BACKGROUND PAPERS

- 7.1 None.

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REPORT TO: East Lothian Integration Joint Board

MEETING DATE: 22 September 2016

BY: Chief Officer

SUBJECT: Nomination to the NHS Lothian Healthcare Governance Committee

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1 PURPOSE

- 1.1 This report asks the Integration Joint Board (IJB) to agree the nomination to the NHS Lothian Healthcare Governance Committee.

2 RECOMMENDATIONS

- 2.1 That the IJB agree to the nomination of Fiona Ireland to the NHS Lothian Healthcare Governance Committee.

3 BACKGROUND

- 3.1 The IJB has been asked by NHS Lothian to make a nomination to the Healthcare Governance Committee.
- 3.2 This has arisen from a review of the role and remit of the committee in light of the introduction of IJBs. This concluded that the committee should more explicitly cover primary and community health in its agendas and should include membership from the IJBs.
- 3.3 This is part of the work arising from the schemes of integration requirement to review committee roles and remits.
- 3.4 It is recommended that Fiona Ireland be nominated since she is Chair of the Area Clinical Forum and an NHS Board member. In addition Fiona has been appointed as a replacement for Alison Meiklejohn as an NHS Lothian voting member of East Lothian IJB.
- 3.5 Fiona is already a member of the committee in her Clinical Forum capacity, but it has been agreed with the chair that it will be acceptable for her to be a member in two capacities.
- 3.6 The Chief Nurse, Clinical Director and Chief Officer from East Lothian IJB already attend the committee on an as required basis.

4 POLICY IMPLICATIONS

4.1 There are no policy implications of the paper.

5 INTEGRATED IMPACT ASSESSMENT

5.1 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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