

East Lothian
Integration Joint Board



**MINUTES OF THE MEETING OF THE
EAST LOTHIAN INTEGRATION JOINT BOARD
AUDIT & RISK COMMITTEE**

**THURSDAY 27 SEPTEMBER 2018
SALTIRE ROOM 1, JOHN MUIR HOUSE, HADDINGTON**

Members Present:

Councillor S Kempson (Chair)
Ms F Ireland
Mr A Joyce
Councillor F O'Donnell

Officers Present:

Mr S Allan
Ms C Flanagan (Items 4 – 6)
Mr D King
Ms A MacDonald

Others Present:

Mr D Melly, Audit Scotland
Ms E Scoburgh, Audit Scotland

Clerk:

Ms F Currie

Apologies:

None

Declarations of Interest:

None

1. MINUTES OF THE IJB AUDIT AND RISK COMMITTEE MEETING OF 28 JUNE 2018

The minutes of the East Lothian IJB Audit and Risk Committee meeting held on 28 June 2018 were approved.

2. MATTERS ARISING FROM THE MINUTES OF THE MEETING OF 28 JUNE 2018

The following matters arising from the minutes of 28 June were discussed:

(Item 4(a)) – The Chair noted that the recommendation included in the Internal Audit report had been implemented and that update on Delayed Discharges was now provided at each IJB meeting. She asked whether information from NHS Lothian's TrakCare system could also be given to members, perhaps at every alternate meeting of the IJB. Alison MacDonald said that information on broad themes taken from the system could be presented to members and she agreed with the suggestion of every second meeting.

(Item 7) – David King referred to the suggestion of a presentation on the Datix system used by NHS Lothian and the possibility of a meeting solely to consider this and the risk register. The Chair agreed that it would be useful to have dedicated session on these matters.

(Item 2) – Councillor Fiona O'Donnell asked if any progress had been made on the 'virtual library' for the IJB and suggested that it could be used for sharing data from the TrakCare system and on delayed discharges more generally.

Fiona Ireland said that there was a proposal within NHS Lothian to provide read-only access to all Committee papers using a new software package. She suggested that linking into this might be a way of achieving a 'virtual library' for the IJB.

Ms MacDonald agreed to look into this and provide an update to members.

3. INDEPENDENT AUDITORS' REVIEW OF THE ANNUAL ACCOUNTS 2017/18

A report was submitted by the Chief Finance Officer presenting the Independent Auditors' review of the IJB's annual accounts for 2017/18.

Mr King introduced the report summarising the procedure for preparation and approval of the IJB's annual accounts and advising members that Esther Scoburgh and Daniel Melly would present the independent auditors' report.

Ms Scoburgh outlined the contents of the covering letter which accompanied the auditors' report and confirmed that it was their intention to issue an unqualified audit opinion. She also referred members to the letter of representation which would be signed and submitted by the Section 95 officer.

Daniel Melly summarised the findings of the auditors' report including the key messages, financial management and sustainability, governance, transparency and value for money. He also drew members' attention to the action plan containing recommendations for improvement and the summary of significant risks identified during the audit planning process.

The Chair welcomed the auditors' report and the recommendations. She observed that the IJB continued to face a challenging situation with regard to financial sustainability and needed to develop proposals to address this. She also referred to the rate of house building in East Lothian, the implications for health services and whether the IJB had a greater role to play.

Ms MacDonald acknowledged these concerns and explained that health funding moved with the patient but in the case of a development such as Blindwells – a new town – additional funding had to be agreed. She also referred to proposals for new care homes and their impact on associated local health services.

Ms Scoburgh commented that significant work had already been done on this issue during the preparation of the Local Development Plan and she suggested that the Chair may wish to contact the Council's Head of Development for further information.

Mr King and Ms Scoburgh responded to further questions from members. Mr King confirmed that plans were underway to develop a financial risk sharing framework and he outlined the impact that receiving late information had on the financial planning process. Ms Scoburgh advised that other IJBs had similar issues in relation to the receipt of late information and she acknowledged that this was not solely the responsibility of the IJB. She also offered a correction to the information contained in the report recommendations.

Decision

The Committee agreed to:

- (i) Note the Independent Auditors' review of the IJB's annual accounts;
- (ii) Support the Auditors' recommendations; and
- (iii) Recommend the annual accounts to the IJB.

4. RISK – PARTNERS' KEY RISKS AND ANY POTENTIAL IMPACT ON THE IJB

A report was submitted by the Chief Finance Officer providing the Committee with an update of the operational risks held within the partner risk registers of both East Lothian Council and NHS Lothian, as they relate to the East Lothian Health & Social Care Partnership, and therefore allowing information on key risks held and their mitigation.

Mr King presented the report indicating that this had been prepared in response to requests from the Committee for further information on the operational risks of the Health & Social Care Partnership which may impact on the IJB's ability to deliver its Strategic Plan. He reminded members that the IJB had no authority to directly manage these risks and must instead rely on its partners for reassurance. He invited members to consider the risks outlined and whether any were of so significant a nature as to require inclusion in the IJB's risk register.

Councillor O'Donnell asked about the risk of the market determining where care is to be provided. She referred to applications for care homes that come before the Council's Planning Committee and the fact that their potential impact on health or social care services was not viewed as relevant grounds for rejecting such applications.

Ms MacDonald acknowledged the point and said that her key concern was the general medical services which surround any care home, as these developments did not provide their own medical staff.

Mr King noted the concerns of members and suggested that this issue be included in the risk register and consideration given on how to manage this risk.

The Chair asked about staff costs and whether the IJB had any influence to provide incentives in areas such as GP recruitment. She also commented on problems with retention of younger staff and the need to understand why they tended to move on so quickly.

Ms MacDonald explained that GPs were subject to a national contract, however she referred to the new service in Musselburgh and proposals to develop a primary care strategy as ways of improving recruitment rates. She also mentioned special arrangements for areas with higher levels of deprivation where recruitment of GPs was generally more difficult.

Ms Ireland asked about the best way to link these operational risks to the IJB's Directions and to ensure that appropriate measures are being taken to manage the risks. She advised members that the new Clinical and Care Governance Committee would pull together some of this information which could then be passed onto the Audit & risk Committee to ensure that the necessary controls were in place. She also suggested that the IJB may need to consider whether additional Directions were required.

Councillor O'Donnell added that the new Change Boards would have a role to play and it would be important to have an awareness of the work they were doing.

Ms MacDonald acknowledged the need to provide assurance to the IJB that action plans were in place to manage the risks.

Decision

The Committee agreed to:

- (i) Note the operational risks; and
- (ii) Consider if any further risks should be added to the risk register.

5. AOCB

None.

6. DATE OF NEXT MEETING

The Committee agreed to a proposal for an additional meeting to review the risk register and receive a presentation on NHS Lothian's Datix system. The meeting was arranged for 2.00pm on Thursday 10 January 2019 in the Council Chamber, Town House, Haddington.

In the meantime, the next scheduled meeting of the Committee would take place on Tuesday 18 December 2018 at 2.00pm.

The Chair closed the meeting by offering her thanks to Mr King for his contributions as Chief Finance officer and wishing him a very happy retirement.

Signed

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Councillor Susan Kempson
Chair of the East Lothian IJB Audit and Risk Committee