



MINUTES OF THE MEETING OF THE EAST LOTHIAN INTEGRATION JOINT BOARD

THURSDAY 24th JUNE 2021
VIA DIGITAL MEETINGS SYSTEM

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Voting Members Present:

Mr P Murray (Chair)
Councillor S Akhtar
Dr P Donald
Councillor N Gilbert
Ms F Ireland
Councillor S Kempson
Councillor F O'Donnell
Dr R Williams

Non-voting Members Present:

Mr D Binnie	Ms L Cowan
Ms C Flanagan	Ms A MacDonald
Ms M McNeill	Mr P White

Officers Present from NHS Lothian/East Lothian Council:

Ms T Carlyle	Mr P Currie
Mr B Dickie	Ms C Goodwin
Ms C Johnston	Ms L Kerr
Ms S Leslie	Mr A Main
Ms G Neil	

Clerk:

Ms F Currie

Apologies:

Mr I Gorman
Mr T Miller
Ms J Tait
Dr J Turvill

Declarations of Interest:

None

1. MINUTES OF THE MEETINGS OF THE EAST LoTHIAN IJB ON 25TH FEBRUARY 2021 AND 22ND APRIL 2021 (FOR APPROVAL)

The minutes of the meetings on 25th February 2021 and 22nd April 2021 were approved.

2. MATTERS ARISING FROM THE MINUTES OF 25TH FEBRUARY AND 22ND APRIL 2021

There were no matters arising from either of the minutes.

3. CHAIR'S REPORT

Peter Murray advised members that he had received a letter from the Chair of the NHS Lothian Board requiring a response on behalf of the IJB. The letter related to delegated functions and the services the IJB would be seeking to commission from NHS Lothian going forward, such as mental health and LD in-patient services. Mr Murray confirmed that he would work with Alison MacDonald to prepare a response which would be shared with the IJB in due course.

Ms MacDonald provided further background to the request and indicated that the Strategic Planning Group and relevant Change Boards should also be involved in developing the IJB's response. NHS Lothian had set a deadline of end August but this would be felt to be unrealistic given the amount of work involved and the need to consult further with IJB members. Ms MacDonald said she had instead committed to providing NHS Lothian with a plan by end August on how the IJB would respond to the request.

Mr Murray and Ms MacDonald replied to questions from members about how the request was brought forward, the possible reasons for the change in approach and the implications for the IJB's Directions going forward.

4. COMMUNITY TRANSFORMATION PROGRAMME, ADULTS WITH COMPLEX NEEDS UNDER 65

The Chief Officer had submitted a report informing the IJB of the principles and strategy to deliver the recommendations of the Community Transformation programme encompassing day opportunities for adults with complex needs.

Gillian Neil presented the report outlining the background and the proposed strategy to deliver the new service model which would include a review of existing assets to facilitate investment in new community models. She also highlighted the engagement work which had already taken place involving a wide range of stakeholders and which would continue to be supported and guided by the Communication and Engagement Group.

Ms Neil responded to a question from Patricia Donald confirming that the Third Sector had been very much at the forefront of the engagement work taking place since 2019.

The vote was taken by roll call and all of the recommendations were approved unanimously.

Decision

The IJB agreed:

- i. The principles as set out in the report; and
- ii. The Strategy as set out in the report; noting that the proposals would be brought to the IJB in September 2021.

5. COMMUNITY TRANSFORMATION PROGRAMME, ADULTS WITH COMPLEX NEEDS OVER 65

The Chief Officer had submitted a report informing the IJB of the principles and strategy to deliver the recommendations of the Community Transformation programme for older adults with complex needs.

Ms Johnston presented the report outlining the background and proposed key principles underpinning future day services for older people from April 2022. She also detailed the strategy to deliver the service model which included a review of existing assets to facilitate investment in new blended model from April 2022. She emphasised that this would represent a significant investment of public money and it would be important to execute due diligence. She also provided further information on the commissioning of a Dementia Meeting Centre in Musselburgh.

Ms Johnston responded to questions from members on issues such as journey of care, recognising existing outreach projects and evaluating options and learning from good practice. She confirmed that the team was currently mapping community assets across the county – both Council and other community assets- and that the process of asset transfer, in conjunction with social enterprise partnerships, would be part of the discussions around developing community assets.

Replying to further questions, Ms Johnston acknowledged the importance of community engagement and ensuring that the process was as explicit and transparent and that it involved a broad range of fora. She also provided information on services that could be accessed via day centres and the potential impact of any proposed changes to charging for personal care.

Claire Flanagan replied to a question on how to provide guaranteed funding over a 2-3 year [period when the IJB worked on a year-to-year budget. She agreed that there were potential risks but these would have to be managed through the IJB's longer term Financial Plan and annual budget discussions with partners.

The vote was taken by roll call and all of the recommendations were approved unanimously.

Decision

The IJB agreed:

- iii. The principles as set out in the report; and
- iv. The Strategy as set out in the report; noting that the proposals would be brought to the IJB in September 2021.

6. EAST LoTHIAN STRATEGIC PLAN – SBAR UPDATE

The Chief Officer had submitted a SBAR report asking the IJB to agree an approach to the review of its Strategic Plan.

Paul Currie presented the report outlining the background and reminding members that the current Strategic Plan ran from 1st April 2019 to 31st March 2022. He advised that the review process would usually begin 6 months prior to the end of the current plan but discussion had been taking place nationally on whether the usual 3 year cycle of renewal should be followed, or whether a different timetable should be adopted to take account of continuing uncertainties and pressures associated with the pandemic. He outlined the three options being put forward for members' consideration and asked that the IJB agree its preferred approach.

The Chair noted that the Strategic Planning Group was in favour of option 2 in the report: to delay the Strategic Plan development for 6 months; with the new Plan to run from September 2022. He was in agreement with this proposal subject to the caveat that the IJB had sufficient resource to develop and deliver a new Plan within this timescale.

As there was no support from members for either of the other 2 options, the Chair called for a vote on recommendation 2, as outlined in the report. The vote was taken by roll call and recommendation 2 was approved unanimously.

Decision

The IJB agreed to delay the Strategic Plan development for a 6 month period, with review of the existing 2019-2022 Plan from March 2022, and a new Plan effective from September 2022, running until April 2025.

7. REVIEW OF INTEGRATION SCHEMES – SBAR REPORT

The Chief Officer had submitted a SBAR report providing an update to the IJB on the review of the Integration Scheme.

Mr Currie presented the report outlining the background and reminding members that while the Scheme was due for review every 5 years the most recent review had been delayed due to COVID-19. He advised that a dedicated officer was now in place and review project management arrangements were being developed. He referred members to the timeline and details of the proposed approach which were included with his report.

In response to a question from the Chair, he confirmed that further updates would be provided to the IJB on the progress with the review of the Integration Scheme and, in due course, the development of the new Strategic Plan.

Decision

The IJB agreed to:

- Note the need for the parties to the Integration Scheme (NHS Lothian and East Lothian Council) to take forward a joint 'section 44' review, following delay in 2020;

- Note the review project management arrangements being developed, including engagement with the Local Authority and with IJB voting members, finalisation of review group membership and timescale; and
- Note HSCP officer participation in the review process.

8. ESTABLISHMENT OF A COMMUNITY HOSPITALS AND CARE HOMES PROVISION CHANGE BOARD – SBAR UPDATE

The Chief Officer had submitted a SBAR report updating the IJB on the establishment of a Community Hospitals and Care Homes Provision Change Board.

Bruce Dickie presented the report outlining the background to the setting up of the Change Board, its terms of reference and membership and the outcomes from its initial meeting on 31st May 2021. He also highlighted work being undertaken on the Integrated Impact Assessment and proposals for specific work streams, including communication and engagement.

Mr Dickie and Ms MacDonald responded to questions from members providing further information on how the Board would link in with work being done by other Lothian IJBs and proposals for engagement with stakeholders. He agreed to put together a briefing for Elected Members and to meet with them on a one-to-one basis, as required.

Councillor Fiona O'Donnell and Dr Richard Williams put forward suggestions for possible amendments to the membership of the Change Board. Mr Dickie and Ms MacDonald agreed to give these further consideration.

Councillor Shamin Akhtar welcomed the paper and the setting up of the Change Board and urged that the Communication and Engagement Group be as inclusive as possible using both virtual and face-to-face means to engage with stakeholders.

The Chair agreed adding that all members of the IJB had a role to play in helping to communicate clear, factual and accurate messages on this issue.

Decision

The IJB agreed to note:

- The establishment of the Change Board and the Chair and Vice Chair;
- The formation of the Change Board was approved at a meeting of the IJB Strategic Planning Group on 5th May 2021;
- The Terms of Reference and membership were agreed at the Board's initial meeting on 31st May 2021; and
- That the IJB had requested regular updates on progress and project plan development.

9. 2020/21 DRAFT UNAUDITED ANNUAL ACCOUNTS

The Chief Finance Officer had submitted a report presenting to the IJB the draft (unaudited) annual accounts for 2020/21.

Ms Flanagan presented the report advising members that the draft accounts had been discussed at the recent Audit & Risk Committee meeting and approved for consideration by the IJB. She summarised key aspects of the accounts including the management commentary, the annual governance statement and the financial

statements for 2020/21. She highlighted the year-end position of a £7.2M underspend, the majority of which related to earmarked monies including additional COVID-19 funding. She added that the Scottish Government had confirmed that this funding could be carried forward to 2021/22 and should be used as a first call for COVID-related expenditure in that financial year. She also advised that the IJB's reserves had increased as a result of the 2020/21 year-end position to £3M general and £6.5M earmarked. Finally, she explained that additional commentary was contained in the Notes section to reflect the complexities of accounting this year as a result of additional COVID-19 related funding and expenditure. Additional national guidance was expected on this and further adjustments would be made as necessary.

Ms Flanagan responded to questions from members on the use of COVID-19 funding carried forward from 2020/21, the likelihood of entering into dialogue with the Scottish Government regarding funding for COVID-related costs. In terms of carrying forward sums to 2022/23, she said that this would be considered nearer to the end of the 2021/22 financial year. She also outlined the complexities around funding of the staff bonus, the accounting of which had been treated differently by NHS Lothian the East Lothian Council. She agreed to provide further information on how the associated administration costs had been funded.

Replying to further questions, Ms Flanagan agreed to follow up the reasons for non-attendance at IJB meetings during 2020/21. She also addressed the IJB's reserves position advising that the earmarked reserves of £6.5M would go towards their earmarked programme of use and COVID-19 related costs in 2021/22. Any proposals for diverting some of this money to other services, such as mental health, would have to be discussed and agreed with the Scottish Government. She added that the general reserve of £3M meant that the IJB was now holding the recommended level of 2% of its total budget and that this would provide a helpful contingency going forward.

Councillor Akhtar thanked Ms Flanagan for her presentation of the draft accounts. She said it was important that they reflect the whole story, particularly given the enormous pressures faced by health and social care services over the past year. She paid tribute to the work of staff across the services with particular thanks to Ms MacDonald and Ms Flanagan.

The Chair also added his praise of Ms Flanagan and the thanks of all members of the IJB for her hard work and dedication to her role as Chief Finance Officer. He added that she would be missed over the coming months and he looked forward to welcoming her back to the IJB in the future.

The vote was taken by roll call and the recommendation was approved unanimously.

Decision

The IJB agreed that the draft accounts could be published and presented for audit.

10. INTERIM APPOINTMENT OF CHIEF FINANCE OFFICER

The Chief Officer had submitted a report updating the IJB on the proposals for the recruitment of the Chief Finance Officer/Section 95 Officer to cover a period of maternity leave.

Ms MacDonald presented the report outlining the background and the arrangement proposed for the appointment of an interim appointment.

Replying to a question from Dr Donald, Ms MacDonald confirmed that the process had already started and that it was hoped that the appointee would be in post for a short handover period before Ms Flanagan departed on maternity leave.

The vote was taken by roll call and all of the recommendations were approved unanimously.

Decision

The IJB agreed:

- i. To the proposal to recruit interim cover for the maternity leave period of the current Chief Finance Officer/Section 95 Officer;
- ii. To delegate authority to the Chief Officer and Chair of the IJB to approve the interim appointment on the IJB's behalf after the recruitment process; and
- iii. To note that an update on the outcome of this process would be provided at a future IJB meeting.

11. CHANGE TO MEMBERSHIP OF THE AUDIT & RISK COMMITTEE

The Chief Officer had submitted a report asking the IJB to approve the appointment of Councillor Shamin Akhtar to the Audit & Risk Committee to replace Councillor Fiona O'Donnell.

The Clerk presented the report outlining the background and purpose. The vote was taken by roll call and the recommendation was approved unanimously.

Decision

The IJB agreed to the appointment of Councillor Akhtar to the Audit & Risk Committee to replace Councillor O'Donnell.

12. REPORTS OF RELEVANCE TO THE IJB (FOR NOTING):

A. EAST Lothian HSCP COMMISSIONED COMMUNITY SUPPORT AND GRANT AWARDS 2020-21

B. PROCUREMENT OF CARER SERVICES

The Chair informed members that these reports were being presented to the IJB for noting.

Councillor O'Donnell welcomed the increase in funding set out in report 12a.

Decision

The IJB agreed to note the contents of both reports.

Signed

Mr Peter Murray
Chair of the East Lothian Integration Joint Board



REPORT TO: East Lothian Integration Joint Board

MEETING DATE: 16 September 2021

BY: Chief Officer

SUBJECT: Changes to the Non-voting Membership of the East Lothian Integration Joint Board

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1 PURPOSE

- 1.1 To inform the Integration Joint Board (IJB) and seek its agreement to changes in its non-voting membership.

2 RECOMMENDATIONS

- 2.1 The IJB is asked to:
- (i) agree that, with effect from September 2021, Maureen Allan has replaced Paul White as a non-voting member and Third Sector representative on the IJB.
 - (ii) agree the re-appointment of Dr Jon Turvill and Thomas Miller as non-voting members of the IJB for a further term of office; and
 - (iii) agree the appointment of Dr Claire Mackintosh as a non-voting member, to replace Prof. Emma Reynish, effective from August 2021.

3 BACKGROUND

- 3.1 In July 2021, the Chair of the IJB was advised that Maureen Allan, Chief Officer of Volunteer Centre East Lothian (VCEL), would replace Paul White as the Third Sector representative on the IJB. This change will take effect from September 2021 and follows VCEL's regular review of delegate appointments to relevant statutory bodies.
- 3.2 All IJB members, except those where their membership is by virtue of their role, e.g. Chief Officer, Chief Finance Officer and CSWO, are appointed to the IJB for a maximum term of office of 3 years. Thereafter, appointments may be renewed for subsequent terms.

3.3 NHS Lothian has formally agreed the re-appointment of Dr Jon Turvill as a non-voting member of the IJB for a further term of office of 3 years. Thomas Miller's re-appointment has also been confirmed, following re-election by the staff union.

3.4 In addition, NHS Lothian's Board met on 4 August 2021 and confirmed its appointment of Dr Claire Macintosh to replace Prof Emma Reynish in the non-voting position for a 'general medical practitioner not providing primary medical services'. This appointment is for the maximum term of 3 years. Dr Macintosh is the Clinical Director for the Regional Infectious Diseases Unit.

4 ENGAGEMENT

4.1 The issues in this report have been discussed with the appropriate nominating bodies.

5 POLICY IMPLICATIONS

5.1 The recommendations in this report implement national legislation and regulations on the establishment of IJBs.

6 INTEGRATED IMPACT ASSESSMENT

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

7 DIRECTIONS

7.1 The subject of this report does not affect the IJB's current Directions or require an additional Direction to be put in place.

8 RESOURCE IMPLICATIONS

8.1 Financial – None.

8.2 Personnel – None.

8.3 Other – None.

9 BACKGROUND PAPERS

9.1 The Public Bodies (Joint Working) (Integration Joint Boards) (Scotland) Order 2014 (SSI 2014 No.285).

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DATE	6 September 2021



REPORT TO: East Lothian Integration Joint Board
MEETING DATE: 16 September 2021
BY: Chief Officer
SUBJECT: Interim Appointment of Chief Finance Officer - Update

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1 PURPOSE

- 1.1 This report updates the East Lothian Integration Joint Board (IJB) on the proposals for the recruitment of the Chief Finance Officer/Section 95 Officer to cover a period of maternity leave.

2 RECOMMENDATIONS

- 2.1 The IJB is asked to:
- i. Approve the appointment of David King as Interim Chief Finance Officer for the period of Claire Flanagan's maternity leave.

3 BACKGROUND

- 3.1 The regulations on membership of IJBs include the appointment of "the proper officer of the integration joint board appointed under section 95 of the Local Government (Scotland) act 1973(1)".
- 3.2 The IJB agreed in July 2015 that there should be a shared Chief Finance Officer/Section 95 Officer appointment between East Lothian and Midlothian IJBs and that this would be subject to review. During April 2018 this arrangement was reviewed and the Chief Officers of East Lothian and Midlothian IJBs held discussions with the Deputy Director of Finance for NHS Lothian and the Section 95 Officers from East Lothian and Midlothian Councils. All parties agreed that the current arrangement has worked well. It has allowed the IJBs to benefit from having a single officer covering both. It has also allowed the IJBs to benefit from in-depth financial understanding of the complexities of the NHS budgets and both Councils financial information.
- 3.3 Claire Flanagan was appointed to the post of Chief Finance Officer in August 2018. Claire took up the role from the 1st October 2018 and has supported both IJBs and has held an operational role in NHS Lothian.

Claire is due to undertake a period of maternity leave from August 2021 for 9 months.

- 3.4 Only the IJB can appoint its own Chief Finance Officer but the Integration Scheme describes a mechanism whereby the IJB's partners (East Lothian Council and NHS Lothian) can provide the IJB with a suitable candidate.
- 3.5 NHS Lothian agreed to support the provision of an interim CFO. After an internal recruitment process was unsuccessful an external candidate was sought. It should be noted that David King had been the CFO of the IJB since its inception until his retirement in November 2018. David expressed interest in the post and given that there were no internal candidates, the Chief Officer and the CFO met with David to discuss his suitability for the role. Both the CFO and the Chief Officer agreed that David would be suitable for the post and to recommend him to the IJB
- 3.6 David will also undertake the role of the CFO for Midlothian IJB, however NHS Lothian have provided additional support to undertake the operational financial management of the HSCPs and David's role will only be that of CFO and this will be a part-time post (3 days a week). These days will be worked on a flexible basis to ensure that the IJB has CFO support as required. NHS Lothian will fund this post.

4 ENGAGEMENT

- 4.1 The IJB makes its papers and reports available on the internet.
- 4.2 The issues in this report have been discussed with the IJB's partners but do not require wider engagement

5 POLICY IMPLICATIONS

- 5.1 There are no new policies arising from this paper.
- 5.2 The recommendations in this report implement national legislation and regulations on the establishment of IJBs.

6 INTEGRATED IMPACT ASSESSMENT

- 6.1 The subject of this report does not affect the wellbeing of the community or have a significant impact on equality, the environment or economy
- 6.2 The issues in this report do not require an integrated impact assessment.

7 DIRECTIONS

7.1 There are no Directions implications arising from this paper

8 RESOURCE IMPLICATIONS

8.1 There are no immediate resource implications from this report. Any resource implications from the outcome of the process will be highlighted in a future report if required.

9 RISK

9.1 None

10 BACKGROUND PAPERS

10.1 None

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DATE	9 September 2021

East Lothian Integration Joint Board

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2020/21 Annual Audit Report



 AUDIT SCOTLAND

Prepared for the East Lothian Integration Joint Board and the Controller of Audit
September 2021

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Key messages

2020/21 annual report and accounts

The financial statements of the East Lothian Integration Joint Board give a true and fair view and were properly prepared in accordance with the financial reporting framework.

There was no adverse impact of Covid-19 on the accounting and auditing timetable for the 2020/21 financial statements.

Financial sustainability

The East Lothian Integration Joint Board has appropriate and effective financial management arrangements in place.

The East Lothian Integration Joint Board has a medium-term financial plan but this requires to be updated to take account of the impact of Covid-19.

Covid-19 has generated significant increased spend for the East Lothian Integration Joint Board. Currently this has been matched by funding from the Scottish Government. The long-term impact of Covid-19 has yet to be assessed by the IJB.

Governance, transparency and Best Value

The governance arrangements introduced in response to the pandemic are appropriate and operated effectively. There is effective scrutiny, challenge and informed decision making.

Arrangements are in place to secure best value but more could be done to ensure the annual performance report is prepared and presented to the IJB in a timely fashion. The IJB have yet to submit the 2020/21 Performance Report however this is allowable under the revised timeline set by the Scottish Government due to Covid-19.

Introduction

1. This report summarises the findings from our 2020/21 audit of East Lothian Integration Joint Board (the ELIJB).
2. The scope of our audit was set out in our Annual Audit Plan presented to the 8 June 2021 meeting of the Audit and Risk Committee. This report comprises the findings from:
 - an audit of the ELIJB's annual accounts
 - our consideration of financial sustainability.
3. The global coronavirus pandemic has had a considerable impact on health and social care services during 2020/21. This has had significant implications not least for the services it delivers but also for sickness absence levels, redeployment of staff to critical areas and the suspension of non-essential projects and activities.

Adding value through the audit

4. We add value to the ELIJB, through audit, by:
 - identifying and providing insight on significant risks, and making clear and relevant recommendations
 - sharing intelligence and good practice through our national reports ([Appendix 3](#)) and good practice guides
 - providing clear conclusions on the appropriateness, effectiveness and impact of corporate governance, performance management arrangements and financial sustainability
5. We aim to help the ELIJB promote improved standards of governance, better management and decision making and more effective use of resources.

Responsibilities and reporting

6. The IJB has primary responsibility for ensuring the proper financial stewardship of public funds. This includes preparing annual accounts that are in accordance with proper accounting practices. The ELIJB is also responsible for compliance with legislation putting arrangements in place for governance, propriety and regularity that enable it to successfully deliver its objectives.
7. Our responsibilities as independent auditor appointed by the Accounts Commission are established by the Local Government in Scotland Act 1973, the Code of Audit Practice (2016) and supplementary guidance and International Standards on Auditing in the UK. Local government bodies have a responsibility to have arrangements in place to demonstrate Best Value in how they conduct

their activities. Our audit work on the IJB's Best Value arrangements is focussed on the body's use of resources to secure financial sustainability.

8. As public sector auditors we give independent opinions on the annual report and accounts. Additionally, we conclude on the appropriateness and effectiveness of the performance management arrangements, the suitability and effectiveness of corporate governance arrangements, the financial position and arrangements for securing financial sustainability. Further details of the respective responsibilities of management and the auditor can be found in the Code of Audit Practice 2016 and supplementary guidance.

9. The Code of Audit Practice 2016 (the Code) includes provisions relating to the audit of small bodies. Where the application of the full wider audit scope is judged by auditors not to be appropriate to an audited body then the annual audit work can focus on the appropriateness of the disclosures in the governance statement and the financial sustainability of the IJB and its services. As highlighted in our 2020/21 Annual Audit Plan, due to the volume and lack of complexity of the financial transactions, we applied the small body provisions of the Code to the 2020/21 audit.

10. This report raises matters from our audit. The weaknesses or risks identified are only those which have come to our attention during our normal audit work and may not be all that exist. Communicating these does not absolve management from its responsibility to address the issues we raise and to maintain adequate systems of control.

11. Our annual audit report contains an agreed action plan at [Appendix 1](#) setting out specific recommendations, responsible officers and dates for implementation. It also includes outstanding actions from last year and progress against these.

Auditor Independence

12. We confirm that we comply with the Financial Reporting Council's Ethical Standard. We have not undertaken any non-audit related services and therefore the 2020/21 audit fee of £27,330 as set out in our Annual Audit Plan, remains unchanged. We are not aware of any relationships that could compromise our objectivity and independence.

13. This report is addressed to both the IJB and the Controller of Audit and will be published on Audit Scotland's website www.audit-scotland.gov.uk in due course. We would like to thank all management and staff who have been involved in our work for their co-operation and assistance during the audit.

Part 1. Audit of 2020/21 annual accounts

The principal means of accounting for the stewardship of resources and performance

Main judgements

The financial statements give a true and fair view and were properly prepared in accordance with the financial reporting framework.

The accounting and auditing timetables for the 2020/21 financial statements were not adversely impacted by Covid-19.

Our audit opinions on the annual report and accounts are unmodified

14. The annual report and accounts for the year ended 31 March 2021 were approved by the Board on 27 September 2021. As reported in the independent auditor's report:

- the financial statements give a true and fair view and were properly prepared in accordance with the financial reporting framework
- the audited part of the remuneration report, management commentary and the annual governance statement were all consistent with the financial statements and properly prepared in accordance with the applicable requirements.

The Covid-19 pandemic had a no impact on audit evidence

15. The unaudited annual accounts were received in line with our agreed audit timetable on 30 June 2021.

16. The working papers provided to support the accounts were of a good standard and the audit team received support from finance staff which helped ensure the final accounts audit process ran smoothly.

17. The completeness and accuracy of accounting records and the extent of information and explanations that we required for our audit were not affected by the Covid-19 pandemic.

Overall materiality is £1.9 million

18. We apply the concept of materiality in both planning and performing the audit and in evaluating the effect of any identified misstatements on the audit.

We identify a benchmark on which to base overall materiality such as gross expenditure and apply what we judge to be the most appropriate percentage level for calculating materiality values.

19. The determination of materiality is based on professional judgement and is informed by our understanding of the entity and what users are likely to be most concerned about in the financial statements. In assessing performance materiality, we have considered factors such as our findings from previous audits, any changes in business processes and the entity's control environment including fraud risks.

20. Our initial assessment of materiality was carried out during the planning phase of the audit. This was reviewed and revised on receipt of the unaudited annual accounts and is summarised in [Exhibit 1](#).

Exhibit 1

Materiality values

Materiality level	Amount
Overall materiality	£1.9 million
Performance materiality	£1.4 million
Reporting threshold	£93,000

Source: 2020/21 East Lothian Integration Joint Board Unaudited Annual Accounts

Appendix 2 identifies the main risks of material misstatement and our audit work to address these

21. [Appendix 2](#) provides our assessment of risks of material misstatement in the annual report and accounts and any wider audit dimension risks. These risks influence our overall audit strategy, the allocation of staff resources to the audit and inform where the efforts of the team are directed. [Appendix 2](#) also identifies the work we undertook to address these risks and our conclusions from this work.

We have no significant findings to report on the accounts and there were no identified misstatements that exceeded our reporting threshold.

22. International Standard on Auditing (UK) 260 requires us to communicate significant findings from the audit to those charged with governance, including our view about the qualitative aspects of the body's accounting practices. We have no issues to report from the audit.

23. It is our responsibility to request that all misstatements, other than those below the reporting threshold, are corrected, although the final decision on

making the correction lies with those charged with governance considering advice from senior officers and materiality.

24. One item was adjusted for in the 2020/21 accounts regarding the war veteran's allowance. £86,000 was double counted in both the NHS resource transfer figure and the Social Care Fund. It was subsequently removed. This has a nil impact on the ELIJB's surplus for the year. There were no identified misstatements above our reporting threshold and there are no unadjusted errors to report.

25. We have reviewed the nature and causes of these misstatements and have concluded that they arose from issues that have been isolated and identified in their entirety and do not indicate further systemic error. We did not need to adjust our audit approach.

Part 2. Financial management and sustainability

Financial management is about financial capacity, sound budgetary processes and whether the control environment and internal controls are operating effectively. Financial sustainability looks forward to the medium and longer term to consider whether the body is planning effectively to continue to deliver its services

Main judgements

The IJB has appropriate and effective financial management arrangements in place.

The IJB has a medium-term financial plan but this requires to be updated to take account of the impact of Covid-19.

Covid-19 has generated significant increased spend for the IJB. Currently this has been matched by funding from the Scottish Government. The long-term impact of Covid-19 has yet to be assessed by the IJB.

The 2020/21 budget included planned savings and contributions from reserves to address the funding gap

26. The IJB approved its 2020/21 budget in April 2021. The budget was set at net expenditure of £162 million, with an identified funding gap of £3.5 million. Plans were progressed throughout 2020/21 to address the gap.

The IJB returned an underspend in 2020/21

27. The impact on public finances of the Covid-19 pandemic has been unprecedented, which has necessitated both the Scottish and UK governments providing substantial additional funding for public services as well as support for individuals, businesses and the economy. It is likely that further financial measures will be needed and that the effects will be felt well into the future.

28. The ELIJB does not have any assets, nor does it directly incur expenditure or employ staff. All funding and expenditure for the IJB is incurred by the partner bodies (NHS Lothian and East Lothian Council) and processed in their accounting records.

29. The Covid-19 pandemic had a significant impact on the ELIJB's 2020/21 budget. An additional £10.7 million of income was received to help cover the additional costs of dealing with the Covid-19 costs. The Covid-19 funding that

was not spent at 31st March is shown in earmarked reserves which includes a specific Covid-19 reserve of £3.6 million.

30. The IJB returned an underspend of £7.2 million against a budgeted breakeven position as illustrated below in [Exhibit 3](#)

Exhibit 3 Performance against budget

ELIJB budget summary	Budget £m	Actual £m	Variance £m
Net Expenditure	192,991	185,781	7,210
NHS Lothian funding	143,606	136,829	6,777
East Lothian Council funding	49,385	48,952	433
Total Net Expenditure	0	7,210	7,210
Surplus (from NHS Lothian to be retained by the IJB)			6,777
Surplus (from East Lothian Council to be retained by the IJB)			433
Earmarked Reserves			7,210

Source: 2020/21 East Lothian Integration Joint Board Unaudited Annual Accounts

The budget process was appropriate

31. Regular finance updates were submitted to meetings of the ELIJB throughout the year. The outturn to date and forecast year-end outturn position were made clear within each report and the actual year-end outturn position was in line with expectations. The updates also indicate whether Covid-19 funding has/hasn't been included and the reason(s) why.

32. The content of these finance updates reflects the financial impact of Covid-19. In December 2020 the Board were updated with the latest budget position and were provided with the projected year end outturn. The paper projected an overspend of £4.2 million with £3.3 million of this being unfunded Covid-19 costs. In February 2021 the financial position was updated to reflect additional funding received with the IJB projecting a £1.3m underspend. This reflects the impact of Covid-19 funding being received during the year.

33. In June 2020, the Board were updated on the temporary changes made across the HSCP on how it managed and commissioned services resulting from Covid-19 and the changes that may be required in the longer term. There was no financial information included as funding for Covid-19 was unknown at the

time. The document demonstrates the consideration and due regard given to the challenges brought on by Covid-19 and how the IJB plans to address them.

34. In September 2020, the IJB were presented with a paper that noted the financial impact and uncertainties of Covid-19 and the remobilisation of services for both partners. This ensured the IJB were aware of how Covid-19 impacted on the overall financial position and outturn.

35. We observed that senior management and members received regular and accurate financial information on the ELIJB's financial position and have concluded the IJB has appropriate budget monitoring arrangements.

The IJB has a medium-term financial plan but this requires to be updated to take account of the impact of Covid-19

36. The medium-term (five year) financial plan covering the period 2021/22 – 2024/25 was presented to the Board in October 2020. The plan reported a funding gap of £6.7 million for the 2021/22 financial year rising to £16.3 million by 2024/25. However, it was highlighted in the covering paper to Members, that the medium-term plan was prepared under a 'business as usual,' pre-Covid-19 scenario. The plan is due to be refined and updated once there is further clarity on future service provision.

37. The current medium-term plan details how figures have been arrived at and was prepared in conjunction with the partner bodies. The ELIJB is aware of the challenges ahead and has recommended that officers within the partnership continue to develop financial recovery plans for the future and update the IJB on progress at future meetings.

38. Routine updates on current performance and future projections have been provided to members over the course of the financial year (quarterly). However, work must be done to revise the medium-term financial plan to take account of the impact, new challenges and new ways of working as a result of Covid-19.

39. The IJB are in the process of preparing a revised plan taking the 2021/22 settlement and the financial challenges as well as considering the longer-term financial position. A further update and revised medium-term plan will be presented to the Board in October 2021. The financial sustainability of the IJB remains a risk on the risk register.

40. The latest financial position was discussed at the Board development session in April 2021. This session ensured that all members of the IJB are aware of the financial challenges for the IJB and the need to develop plans to address the funding gaps identified. At the April Board development session, the funding gap for 2021/22 was reduced to £3 million.

Recommendation 1

The existing medium-term financial plan must be revised to take account of the impact, new challenges and new ways of working as a result of Covid-19.

Integration Scheme

41. There is a legal requirement to review the IJB's integration scheme every five years. NHS Lothian along with the four local authority bodies (East Lothian, Mid-Lothian, West Lothian and City of Edinburgh) have agreed to delay the review of their respective integration schemes in order to prioritise putting Covid-19 recovery plans in place in the first instance. This has been reported to the Board and Audit and Risk Committee with the latest update provided in June 2021 to the Board.

42. The current ELIJB Integration Scheme was last reviewed and approved by the Scottish Government in July 2019. We will review the updated integration scheme when it is available.

Financial systems of internal control operated effectively

43. The ELIJB does not have its own financial systems and instead relies on partner bodies' (NHS Lothian and East Lothian Council) financial systems.

44. As part of our audit approach, we sought assurances from the external auditors of NHS Lothian and East Lothian Council and confirmed there were no weaknesses in the systems of internal controls for either the health board or the council which would have an impact on the IJB and our audit approach.

Standards of conduct and arrangements for the prevention and detection of fraud and error are appropriate

45. The ELIJB does not maintain its own policies relating to the prevention and detection of fraud and error but instead depends on those in place at its partner bodies. We reviewed the arrangements in place at East Lothian Council and found them to be adequate. The IJB has a Code of Conduct in place to which members subscribe and the Members' Registers of Interest are publicly available on the ELIJB's website. It is noted that the IJB Code of Conduct is dated August 2016. The IJB should ensure that the Code of Conduct is reviewed and updated to ensure that it reflects current guidance for members.

46. Appropriate arrangements are in place for the prevention and detection of fraud and error. We are not aware of any specific issues we require to bring to your attention.

3. Governance, transparency, and Best Value

The effectiveness of scrutiny and oversight and transparent reporting of information. Using resources effectively and continually improving services.

Main judgements

The governance arrangements introduced in response to the pandemic are appropriate and operated effectively. There is effective scrutiny, challenge and informed decision making.

Arrangements are in place to secure best value but more could be done to ensure the annual performance report is prepared and presented to the IJB in a timely fashion.

Governance arrangements operating throughout the Covid 19 pandemic have been appropriate and operated effectively

47. During 2020/21 the ELIJB has continued to hold the Board and Audit and Risk Committee meetings virtually. Committees and Board meetings continued to be held in line with original plans. The Covid-19 pandemic has not had a significant impact on the ELIJB's governance arrangements, including scrutiny, challenge and decision-making.

48. We consider governance arrangements to be appropriate and support effective scrutiny, challenge and decision making.

Change in Chief Finance Officer

49. There was a change in one of the senior officers in year. The Chief Finance Officer went on maternity leave in August 2021 and an interim Chief Finance Officer was appointed. The interim appointment is the former Chief Finance Officer for the ELIJB and is experienced and knowledgeable in the role.

Arrangements are in place to secure Best Value

50. IJBs have a statutory duty to have arrangements in place to secure Best Value. To achieve this, IJBs should have effective processes for scrutinising performance, monitoring progress towards their strategic objectives and holding partners to account.

51. ELIJB ensure that they have Best Value in the use of their resources by having an approved Strategy, Workforce and Financial plan. The plans were

approved in 2019 and will need to be updated to reflect the impact of Covid-19 on service redesign and the workforce.

Review of adult social care services

52. An independent, national review of adult social care services was published in February 2021. This was requested by the Scottish Government in September 2020 with the primary aim of the review being to recommend improvements to adult social care services in Scotland. The review made a number of recommendations including the set-up of a National Care Service for Scotland that is equal to the NHS and that self-directed support must work better for people with decisions being based on their needs, rights and preferences.

53. The ELIJB has assessed the review, summarised the recommendations and included follow up actions. This was reported to the Board in February 2021. The IJB continues to monitor developments as a result of the review and is actively engaged in discussions around the implementation of recommendations from the review with partners and stakeholders.

Annual performance report

54. The pandemic is expected to have had a substantial impact on performance measures, particularly for services which have been temporarily suspended, are operating at a reduced level or have had to adapt to new ways of working.

55. The Public Bodies (Joint Working) (Scotland) Act 2014 requires IJBs to produce an annual performance report covering areas such as: assessing performance in relation to national health and wellbeing outcomes, financial performance and best value, reporting on localities, and the inspection of services.

56. The 2019/20 Annual Performance Report was presented to the Board in August 2020. This was in line with the Scottish Government extension.

57. For 2020/21, and in line with the national agreement and extended timeline issued by the Scottish Government, the ELIJB is delaying the publication of their 2020/21 Annual Performance Report to November 2021. It will be presented to the Board in December 2021. We noted that during the year, local performance information was provided to managers on a regular basis.

58. Performance information should be presented on a regular basis to ensure that the IJB members are aware of how the IJB is performing as a whole.

Recommendation 2

More could be done to ensure the annual performance report is prepared and presented to the IJB in a timely fashion.

National performance audit reports

59. Audit Scotland carries out a national performance audit programme on behalf of the Accounts Commission and the Auditor General for Scotland. During 2020/21 we published some reports which may be of direct interest to the IJB as outlined in [Appendix 3](#).

60. From attendance at the Board and Audit and Risk Committees, we note that the ELIJB has arrangements in place for considering and reviewing national reports including any locally agreed actions.

Good practice

61. The Code of Audit Practice 2016 encourages auditors to identify good practice which in their opinion is worth sharing more widely. We have noted that the ELIJB have redesigned their Primary Care Mental Health Pathway. Existing staff redesigned the service to provide a Mental Health phoneline which was launched in May 2020. This allows users to access the service in the way that is most appropriate for them. It is noted that service users who may not use the “traditional” means of accessing the service have used the phoneline to access services. This example of good practice has been shared with the Audit Scotland national NHS overview team.

Appendix 1. Action plan 2020/21

2020/21 recommendations

Issue/risk	Recommendation	Agreed management action/timing
<p>1. Medium term financial plan update</p> <p>The medium-term (five year) financial plan covering the period 2021/22 – 2024/25 was prepared under a ‘business as usual,’ pre-Covid-19 scenario. The plan is due to be refined and updated once there is further clarity on future service provision.</p> <p>Risk – There is a risk that the IJB will not be able to deliver against its objectives, its strategic plan and deliver financial balance against its budget in the longer term.</p>	<p>The existing medium-term financial plan must be revised to take account of the impact, new challenges, and ways of working as a result of Covid-19 (refer paragraph 37).</p>	<p>Agreed</p> <p>This work will build on the presentation to the IJB on April 2021 and a first iteration will be presented to the IJB in October 2021. Given the quantum of the financial challenge several iterations may be required.</p> <p>Responsible officer: Interim Chief Finance Officer</p> <p>Agreed date: March 2022</p>
<p>2. Performance information provided to the IJB</p> <p>It is noted that ELIJB are taking advantage of the nationally agreed delay in producing the annual performance report.</p> <p>Risk – There is a risk that the performance information for ELIJB is not reported to the Board on a regular basis with the Board members not being able to see the whole picture of how the IJB is performing.</p>	<p>Ensure the annual performance report is prepared and presented to the IJB in a timely fashion to allow the members of the IJB to be aware of how it is performing as a whole (refer paragraph 55).</p>	<p>Agreed</p> <p>Responsible officer: Chief Officer</p> <p>Agreed date: August 2022</p>

Appendix 2. Significant audit risks

The table below sets out the audit risks we identified during our planning of the audit in our annual audit plan and how we addressed each risk in arriving at our conclusion.

Risks of material misstatement in the financial statements

Audit risk	Assurance procedure	Results and conclusions
<p>1. Risk of material misstatement due to fraud caused by the management override of controls</p> <p>International Auditing Standards require that audits are planned to consider the risk of material misstatement in the financial statements caused by fraud, which is presumed to be a significant risk in any audit. This includes the risk of fraud due to the management override of controls.</p>	<p>Owing to the nature of this risk, assurances from management are not applicable in this instance.</p>	<p>Satisfactory</p> <p>Assurances from the external auditors of NHS Lothian and East Lothian Council confirmed there were no weaknesses in the systems of internal controls for the health board and no weaknesses in the systems of internal controls for the Council which would have an impact on the IJB.</p>
<p>2. Risk of material misstatement caused by fraud in expenditure</p> <p>As most public-sector bodies are net expenditure bodies, the risk of fraud is more likely to occur in expenditure. There is a risk that expenditure may be misstated resulting in a material misstatement in the financial statements. The expenditure of the IJB is processed through the</p>	<p>Assurances to be provided to the IJB by East Lothian Council and NHS Lothian on the completeness and accuracy of transactions coded to the IJB codes.</p>	<p>Satisfactory</p> <p>Assurances from the external auditors of NHS Lothian and East Lothian Council confirmed there were no weaknesses in the systems of internal controls for the health board and no weaknesses in the systems of internal controls for the Council which would have an impact on the IJB.</p>

Audit risk	Assurance procedure	Results and conclusions
<p>financial systems of East Lothian Council and NHS Lothian.</p> <p>There is a risk that non-IJB related expenditure is incorrectly coded to the IJB account codes.</p>		
<p>3. Risk of misstatement of independent family health service practitioners' expenditure</p> <p>Family Health Service (FHS) is accounted for in the ELIJB accounts as part of the NHS Lothian figures. National Services Scotland / FHS and NHS boards need to ensure they can demonstrate assurances over the FHS income and expenditure as reported in NHS Lothian accounts and subsequently, the ELIJB accounts.</p> <p>There is a risk of misstatement in the annual accounts if appropriate and adequate assurances cannot be obtained.</p>	<p>Assurance to be provided to the IJB by NHS Lothian on the FHS income and expenditure reported in NHS Lothian accounts and therefore the EL IJB accounts.</p>	<p>Satisfactory</p> <p>Assurances from the external auditors of NHS Lothian have confirmed that there are no weaknesses in the systems of internal controls for the health board which would have an impact on the IJB.</p>
<p>4. Financial reporting of Covid-19</p> <p>Covid-19 funding and expenditure will impact on IJB with principal and agency receipts and payments. It is recommended (but not mandatory) that these items are disclosed in the notes to the accounts. Guidance is due to be issued to all IJBs in due course.</p>	<p>Assurance will be sought from EL IJB accountants following the soon to be issued national guidance.</p>	<p>Satisfactory.</p> <p>We have reviewed the reporting of the additional Covid-19 funding and expenditure. The reporting in the accounts is in line with national guidance. There were no issues noted.</p>

Audit risk	Assurance procedure	Results and conclusions
There is a risk of material misstatement with regard to these.		

Appendix 3. Summary of 2020/21 national performance reports

April

[Affordable housing](#)

June

[Highlands and Islands Enterprise: Management of Cairngorm mountain and funicular railway](#)

[Local government in Scotland Overview 2020](#)

July

[The National Fraud Initiative in Scotland 2018/19](#)

January

[Digital progress in local government](#)

[Local government in Scotland: Financial overview 2019/20](#)

February

[NHS in Scotland 2020](#)

March

[Improving outcomes for young people through school education](#)

East Lothian Integration Joint Board

2020/21 Annual Audit Report

Audit Scotland's published material is available for download on the website in a number of formats. For information on our accessibility principles, please visit:

www.audit-scotland.gov.uk/accessibility



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REPORT TO: East Lothian IJB
MEETING DATE: 16 September 2021
BY: Interim Chief Finance Officer
SUBJECT: 2020/21 Audited Annual Accounts

7

1 PURPOSE

1.1 This report presents the IJB's annual accounts for 2020/21.

2 RECOMMENDATIONS

The IJB is asked to:

- i. Having noted the report of the independent Auditor, to agree that the IJB's annual accounts for 2020/21 are to be signed electronically on behalf of the IJB by the Chair, the Chief Officer and the Interim Chief Finance Officer anticipating approval of the Annual Accounts at the IJBs Audit & Risk Committee on the 14th September 2021.

3. BACKGROUND

- 3.1 As a body governed by section 110 of the Local Government Scotland Act (1973) and the appropriate regulations and subsequent Acts, the IJB must prepare a set of Annual Accounts. The accounts must fulfil the requirements of the Act and the regulations and must give a true and fair view of the IJB's financial position.
- 3.2 The accounts must then be reviewed by an Independent Auditor who will report their findings to this IJB's audit and risk committee which will allow the auditors to bring any matters to the committee's attention. If there are no issues arising from the auditors' report then the committee can recommend acceptance and authorisation of the annual accounts to the IJB.
- 3.3 In summary the auditor's report is unqualified - that is that the auditors consider that the accounts meet the regulations and requirements of the Act and that the accounts are a true and fair view of the IJB's financial position.

3.4 The IJB's Audit and Risk committee will receive the report of the appointed auditors on the 14th September 2021 and it is anticipated will recommend that the IJB accepts these accounts.

3.5 The accounts be signed electronically, on the IJB's behalf, by the appropriate members of the IJB.

4 ENGAGEMENT

4.1 The IJB makes its papers and reports available on the internet.

5 POLICY IMPLICATIONS

5.1 This paper is covered within the policies already agreed by the IJB.

6 INTEGRATED IMPACT ASSESSMENT

6.1 There are no implications for health inequalities or general equality and diversity issues arising directly from the issues and recommendations in this paper.

7 RESOURCE IMPLICATIONS

7.1 Financial – there are none.

7.2 Personnel – there are none.

8 BACKGROUND PAPERS

8.1 None

Appendices

1. IJB's Annual Accounts 2020/21

AUTHOR'S NAME	David King
DESIGNATION	Interim Chief Finance Officer
CONTACT INFO	David.King4@nhslothian.scot.nhs.uk
DATE	9 September 2021



East Lothian Integration Joint Board Annual Accounts 2020/21



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Audit Arrangements

Under arrangements approved by the Accounts Commission of Scotland, the auditor with responsibility for the audit of the accounts of East Lothian Integration Joint Board for the period 1 April 2020 to 31 March 2021 is Audit Scotland, 102 West Port, Edinburgh EH3 9DN.



Management Commentary

Introduction

The IJB has successfully delivered services throughout 2020/21 in line with the directions to its Partners; however, the delivery of these services has been impacted by the COVID-19 pandemic. Responding to COVID-19 issues has been the over-riding priority throughout 2020/21, our responses evolved as we moved through peaks of activity and were supported by partners in East Lothian Council, NHS Lothian, the third sector and the independent sector.

Impacts of COVID-19 on Service Outcomes and Integration

The last 12 months have been extremely challenging for our citizens, staff and partners. It seems appropriate to begin with a huge thank you to all. Especially the staff and volunteers who have kept everything going as they managed to find new ways of supporting service-users and carers during the pandemic.

The work of the Health and Social Care Partnership during 2020/21 has been to minimise the disruption to services and adapt services to respond to COVID-19. The pandemic also created opportunity to build on our community connections and working with the people in our communities to develop strong, sustainable and supportive communities for the future.

The arrival of COVID-19 has disrupted patient journeys and service delivery in health and care settings and is delaying access to secondary care treatment which might otherwise reduce care requirements for individuals. This places higher demands on the HSCP to provide care during the wait for treatment, while it is also increasing care to maintain its low delayed discharge numbers to take pressure off acute services. Added to this is the prospect of some patients requiring post-COVID rehabilitation which services had not planned for.

Colleagues across health and social care have risen to the challenge presented by COVID-19, showing a great deal of flexibility and inventiveness in how they have altered service delivery arrangements and in stepping up the use of IT and other technologies, to maintain support to patients and clients. Those staff remobilised to other services have quickly adapted to new demands. Through necessity, barriers between health and social care are being dismantled as teams work in a more integrated way, accelerating the wider adoption of ways of working that were in place before the arrival of COVID-19.

Every member of staff has the gratitude of the IJB for their hard work in difficult circumstances and their innovative approaches to meeting patient and client needs while progressing integration. The IJB is also grateful to the communities and the individuals who volunteered their support to local action.

The management commentary provides an overview of the key messages relating to the role, remit, members, objectives and the strategy of the East Lothian Integration Joint Board (the IJB). The management commentary outlines the key messages in relation to the IJB's financial performance for the year ended 31 March 2021 and how it has supported the delivery of the IJB's priorities. This commentary also considers those issues and risks which we face as we strive to meet the needs of the people of East Lothian.



While the main focus this year has been on the IJB's operational response to COVID-19, there has been a consequent impact on other issues. Many services had to make significant changes to the ways they delivered their services and some of these, such as an increased use of technology, will be a feature of future operations and strategic plans going forward.

These accounts cover the period from 1 April 2020 to 31 March 2021.

The Role and Remit of the IJB

The purpose of integration is to improve care and support and therefore the health and wellbeing outcomes for people who use health and social care services. It will make sure that they are listened to, involved and take part in decisions about their care and how it is delivered. It is a significant change in how the strategic planning and delivery of services happens with a range of partners – individuals, local groups and networks, communities and organisations, including patients, service users, carers and the third and independent sectors

The functions delegated to the IJB by East Lothian Council and NHS Lothian are as follows:

- Adult Social Care
- Criminal Justice
- Primary Care Services (GP Practices, Community Dentists, Community Pharmacies and Community Opticians)
- Mental Health Services
- Physical and Learning Disabilities Services
- Community Health Services
- Community Hospital Services
- Unscheduled Care Services (services that are generally delivered from the Royal Infirmary of Edinburgh, the Western General Hospital and St. John's Hospital)

The IJB sets the strategic direction for these delegated functions through the development of a Strategic Plan, to enable it to plan and deliver these strategic outcomes at an overall health and social care level. It gives Directions to the council and NHS Lothian for the operational delivery of functions and the resources available to them for this.

The Public Bodies (Joint Working) (Scotland) Act 2014 (the Act) requires Local Authorities and Health Boards to integrate the strategic planning of a substantial number of health services and functions and most social care functions.

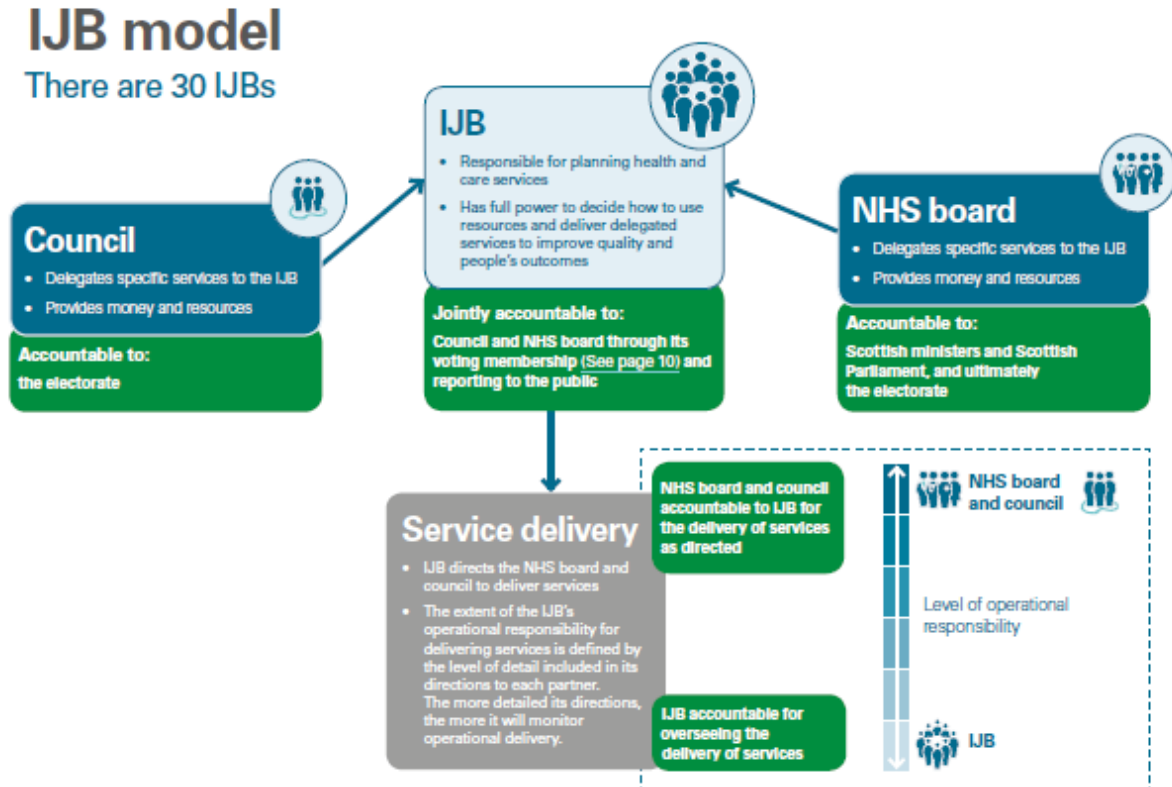
East Lothian IJB is an Integration Authority set up under the Public Bodies (Joint Working) Act (2014). It is a 'body corporate', that is a separate legal entity. The IJB is constituted through its Integration Scheme which was prepared by East Lothian Council and NHS Lothian and presented to Scottish 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. The IJB assumed formal responsibility for these functions in April 2016 including the budgets for the delivery of these functions.



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

The IJB model has been reproduced below and illustrates the accountability, decision making and governance structure of the IJB model. This was published in April 2018 by the Accounts Commission in a short report entitled “What is integration?”

What is integration? A short guide to the integration of health and social care services in Scotland | 9



The Strategic Plan

The strategic plan of each IJB must be reviewed and approved by the IJB every 3 years. East Lothian IJB approved its second Strategic Plan on 28 March 2019, this covers April 2019 to March 2022. A link to the plan is below:

https://www.eastlothian.gov.uk/downloads/file/28278/east_lothian_ijn_strategic_plan_2019-22

The 2019-2022 plan takes into account the previous plan and our achievements and continuing challenges. It is based on consideration of the many factors that have an impact on the delivery of health and social care services, the experience of people who access services and assessment of need.

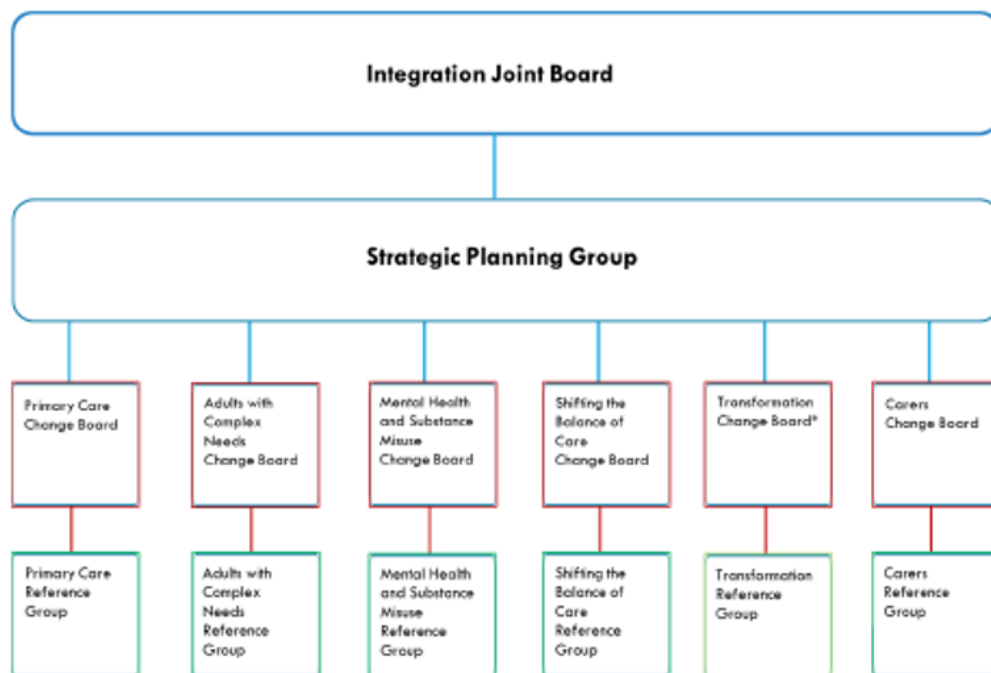
An engagement and consultation process with communities, people who access services, service providers and staff allowed the IJB to hear of, and where possible incorporate, the views and priorities of East Lothian's communities, partners and stakeholders in this Strategic Plan in order to support service development and delivery.



Engagement also allowed participants to hear about the factors that will guide and may limit the opportunities for service change and development over the lifetime of the Strategic Plan.

East Lothian IJB agreed six strategic priority areas for change. These focus on: primary care, adults with complex needs, transformation, adults affected by mental health and substance misuse issues, shifting care from acute hospitals to the community and support to carers.

These six areas, along with our updated Strategic Objectives and a range of ‘Golden Threads’ form the basis of this transformational change supported by this Strategic Plan.



* Formerly called Transforming Services for Older People

Change Boards report to the Strategic Planning Group on progress against agreed priorities, all relevant Directions, the Golden Threads and timeframes for delivery. Change boards provide a structure and accountable approach for delivering programmes of change and this transformation process requires flexibility. As the work progresses new areas of work emerge, this may require a new Change Board to be established and a formal process to do so is through the Strategic Planning Group. An example of such is a newly formed Change Board “to consider the Community Hospital and Care Home provision throughout East Lothian” which has been set up and will form part of the structure during 2021/22.

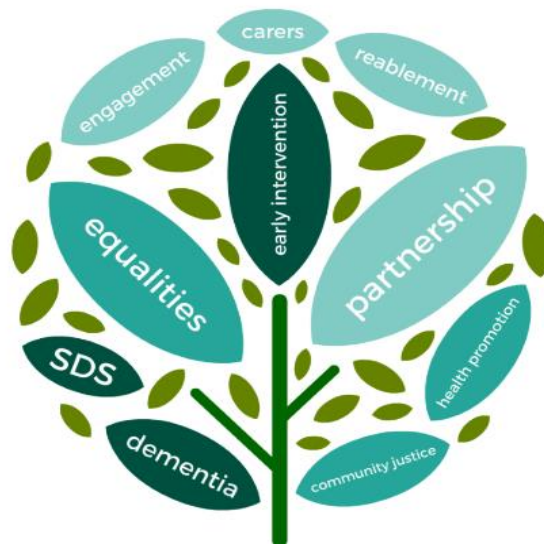
The Strategic Plan is underpinned by a delivery plan to ensure that progress is made to achieve the vision for East Lothian. Change Boards and corresponding reference groups have a key role in progressing the IJB Strategic Plan which facilitate on-going stakeholder involvement in strategic planning and development during 2019-2022.

Throughout all strategic priorities the strategic aims and objectives of the IJB are core. We developed our Strategic Objectives in consultation with our stakeholders. They show our commitment to adopting approaches that tailor services to the needs of people and communities while, at the same time, developing efficient and future-proofed service arrangements.



Each Change Board has to take into account in its work key principles or 'Golden Threads'. The Golden Threads are:

- early intervention and prevention
- carers needs
- Self-Directed Support rights
- equality and diversity, including tackling health inequalities and discrimination
- re-ablement/recovery
- needs of people with dementia health promotion
- partnership working
- communication, engagement and involvement
- advocacy
- community justice
- maximising effective use of resources
- use of integrated information technology and technology enabled care; and
- tackling social isolation



There is a requirement on all projects to evidence to their respective Change Board that the Golden Thread commitments have been achieved as part of project delivery.

Transformation programmes largely stopped during the peak of the COVID-19 outbreak but groups are all up and running again. The transformation programme will also be looking at the impact of COVID-19 and what means to the way we deliver services.

Updates from each Change Board can be found here:

<https://www.edubuzz.org/almac/category/ijb-strategic-plan-and-change-boards/>

IJB Membership

The IJB comprises eight voting members, made up of four elected members appointed by East Lothian Council and four NHS Lothian non-executive directors appointed by



NHS Lothian. There are a number of non-voting members of the Board who are advisory members, including the IJB Chief Officer, Chief Finance Officer, and other service and staffing representatives.

As a result of the COVID-19 pandemic, the IJB agreed to a period of emergency recess between 27 March and 24 June 2020. Meetings resumed on 25 June 2020 and, since then, all meetings have taken place online via MS Teams.

The IJB met virtually 6 times during the financial year 2020/21. There have been some changes to the membership of the IJB during 2020/21, the membership of the IJB at 31 March 2021 is as follows:

Member	Nominated/Appointed by	Role (* denotes change in year)
Councillor Shamin Akhtar	Nominated by East Lothian Council	Chair (voting member) *
Peter Murray	Nominated by NHS Lothian	Vice-chair (voting member)
Alison Macdonald	Appointed by IJB	Chief Officer (non-voting member)
Claire Flanagan	Appointed by IJB	Chief Finance Officer (non-voting member)
Fiona Ireland	Nominated by NHS Lothian	Voting Member
Dr Richard Williams	Nominated by NHS Lothian	Voting Member *
Dr Patricia Donald	Nominated by NHS Lothian	Voting Member, * Chair of Audit & Risk Committee
Councillor Fiona O'Donnell	Nominated by East Lothian Council	Voting Member * (Chair part of year)
Councillor Neil Gilbert	Nominated by East Lothian Council	Voting Member
Councillor Sue Kempson	Nominated by East Lothian Council	Voting Member*, (Chair of Audit & Risk Committee part of year)
Vacant	Appointed by IJB	Independent sector representative (non-voting member)
Paul White	Appointed by IJB	Third sector representative (non-voting member)
David Binnie	Appointed by IJB	Carer representative (non-voting member)
Marilyn McNeill	Appointed by IJB	Service-user representative (non-voting member)



Member	Nominated/Appointed by	Role (* denotes change in year)
Prof Emma Reynish	Appointed by IJB	Medical Consultant (non-voting member) *
Lesley White	Appointed by IJB	ELC Staff Representative (non-voting member)
Judith Tait	Appointed by IJB	Chief Social Work Officer (non-voting member)
Dr Richard Fairclough	Appointed by IJB	General Practitioner (non-voting member)
Thomas Miller	Appointed by IJB	NHS Staff Representative (non-voting member)
Dr Jon Turvill	Appointed by IJB	Clinical Director (non-voting member)
Iain Gorman	Appointed by IJB	Head of Operations (non-voting member)
Lorraine Cowan	Appointed by IJB	Chief Nurse (non-voting member)
Philip Conalglan	Appointed by IJB	Public Health (non-voting member)

Below is the attendance by members of the IJB throughout 2020/21.

Members	IJB Meeting Dates					
	25.6.20	27.8.20	17.9.20	29.10.20	10.12.20	25.2.21
Voting						
Akhtar, Shamin (C)	X	X	A(s)	X	X	X
Donald, Patricia	X	X	X	X	X	X
Gilbert, Neil	X	X	A(s)	X	X	X
Kempson, Susan			X	X	X	X
O'Donnell, Fiona (C)	X	X	X	X	X	X
Ireland, Fiona	X	X	X	X	X	X
Joyce, Alex	X	--	--	--	--	--
Murray, Peter	X	X	X	X	X	X
Williams, Richard	--	A	A	X	X	A
Non-voting						
Binnie, David	X	X	A	X	X	X
Choudhury, Gourab						--



Conalglan, Philip						
Cowan, Lorraine	X	X	X			
Fairclough, Richard						X
Flanagan, Claire	X	X	X	X	X	X
Gorman, Iain	X	X	X	A	X	
MacDonald, Alison	X	X	A	X	X	X
McNeill, Marilyn	X		X	X	X	X
Miller, Thomas	X	X	X	X	X	A
Reynish, Emma	--	--	--	--	--	X
Tait, Judith	X	A	X	X	X	X
Turvill, Jon			X		X	X
White, Lesley	A					
White, Paul	X		X	X	X	X
Independent Sector Rep (vacant)	--	--	--	--	--	--

Key: Present = X; Apologies = A; Apologies (substitute) = A(s); absent without apology = blank ; - - = not occupying this role at this time

The IJB's Operations for the Year

East Lothian IJB has been operational for five years and as described in the opening section the challenge of COVID-19 has been immense. This accelerated the progress we had already made on integrating management arrangements and frontline services. The pandemic has built on the progress made so far and build a stronger partnership between all sectors.

We continue to work towards our long-term objectives through the continuing dedication and skill of our staff; our partners in the voluntary and independent sectors; and all the informal carers and neighbours upon whom the health and care system is entirely dependent.

Financial Impact of COVID-19

NHS Lothian submitted regular information to Scottish Government through the Local Mobilisation Plan (LMP) and this remains the main route for confirming the additional cost and funding required in supporting the COVID-19 response. These returns covered additional costs relating to COVID-19 for the entirety of the Health and Social Care Partnership. There was also additional Health costs within Hosted and Set Aside services. All financial positions are after a significant amount of additional costs were supported through redeployment of existing resources in year.



Additional funding allocations have been received to meet the additional costs and the financial impact of COVID-19 in 2020/21 is covered in full. Where possible staff and resources were redeployed. Detailed below are some of the main costs that were a direct consequence of the pandemic.

The IJB received funding of £10.7m to meet the net additional costs of the pandemic and spent £7.1m. Reflecting the fact that COVID-19 related costs will span across financial years, the Scottish Government has confirmed that any associated funding allocations which have not been fully used in 2020/21 should be carried forward to 2021/22. Accordingly the IJB has transferred the balance of £3.6m to an earmarked reserve.

Adult Social Care Services

The impact of COVID has been marked on Adult Social Care services with changes in the way we provide care and where we provide care (for example, a reduced use of care homes during 2020/21 and increased provision of home care). Significant care was also provided by family and other unpaid carers during these difficult times which we are hugely grateful for. All of this has involved close working with providers in these sectors to deal with these changes and other COVID-19 related issues, such as the provision of Personal Protective Equipment, infection control and outbreaks of COVID-19 amongst service users and staff groups.

Sustainability Payments

Since the beginning of lockdown the Health and Social Care Partnership have been supporting local social care providers by ensuring that reasonable additional costs are met through the National Principles for Sustainability and Remobilisation Payments to Social Care Providers. COSLA, Scottish Government and key partners regularly review the principles and evolving COVID-19 situation to ensure that they are fit for purpose and service providers are supported to deliver a sustainable service. All East Lothian adult service providers were contacted in June 2020 to notify them of the availability of sustainability funding and each provider was offered individual support to complete the claim process. As well as providing support to care home providers on the national care home contract the panel have also been supporting non-framework homes on a like for like basis in recognition of their role in local service provision.

The partnership continue to work actively with individual service providers to ensure that they remain stable and sustainable. Funding to support social care has been provided to local NHS boards from the Scottish Government with local claims that are supported being paid via East Lothian Council finance arrangements. Claims are considered at weekly Sustainability Payment Panels that are chaired by Alison MacDonald (Joint Director HSCP/ Chief Officer East Lothian IJB) and attended by a variety of partnership officers.

Additional Hospital Beds

East Lothian Community Hospital was in the fortunate position of having the flexibility of opening up to an extra 44 hospital beds in the two unoccupied hospital wards at East Lothian Community Hospital (ELCH). This additional capacity was used flexibly as required as part of the remobilisation plan to improve capacity during the first and second wave of COVID-19. This provided resilience in acute adult in-patient beds and



maximised the efficiency of the acute flow. Due to the flexible ward layout, bed capacity could alter to respond to acute sector or community need.

Staffing for the wards was partly through redeployment of staff from services where demand had reduced due to COVID-19 and new staff. The recruitment of permanent staffing was an acceptable risk as the vacancy factor in NHS Lothian was such that, if necessary, redeployment to the wider NHS Lothian workforce would be possible.

COVID-19 Assessment Hub

In April 2020 a COVID-19 Assessment Hub opened in Musselburgh as part of NHS Lothian's regional strategy for the management of patients needing assessment for possible coronavirus infection. Mobile testing units were also set up to identify positive cases and break chains of transmission.

Vaccination Programme

East Lothian Health and Social Care Partnerships are proud to be playing our part in the biggest vaccination programme the country has ever seen, to help protect the population from COVID-19.



The East Lothian's COVID-19 Vaccination Programme links with the NHS Lothian Vaccination Programme Board. There is a dedicated clinical and administrative team to develop, manage and deliver the East Lothian programme. With this support, vaccinations are being delivered in line with the Joint Committee of Vaccination and Immunisation (JCVI) 9 category age and clinical risk related prioritisation programme.

The vaccination programme in East Lothian is making good progress and keeping pace with the national priority targets. We acknowledge the support to the vaccination programme provided by HSCP staff, East Lothian Council staff, volunteers and partners and their role in maintaining safe and effective vaccine service provision.

Health and Social Care Staff Bonus Payment

Thank you payments were paid to health and social care staff as a one off thank you payment for their extraordinary services in this toughest of years. These payments included independent contractors and staff working in Adult Social Care in external providers. Actual payments to staff were between late 2020/21 and early into 2021/22. At the time of writing, for those people working in social care on a "personal assistant" arrangement, the £500 awards are still being finalised.

An additional allocation was issued to cover the full costs associated with the payment of the £500 bonus to all Health and Social Care staff.

Long-COVID (and Post-COVID Rehabilitation)



An Advanced Practitioner Occupational Therapist has recently been appointed to evaluate the approach to Long-COVID. One aspect of their role will be to coordinate the pathway, as well as providing patient-centred rehabilitation, reflecting the demographic of people experiencing post-COVID/long-COVID difficulties. A short life working group with representation from a multidisciplinary team is developing an evidenced based and supported post-COVID pathway in East Lothian.

Funding and Cost Consequences for Next Year

As noted above, the Scottish Government confirmed that COVID-19 funding allocations that have not been fully used in 2020/21 should be carried forward by IJB's to support COVID-19 remobilisation plans in 2021/22. For East Lothian, this can be seen in the reserves statement below.

NHS Lothian has submitted the Remobilisation Plan to the Scottish Government, capturing the impact for East Lothian HSCP, which covers the period April 2021 to March 2022. A feature of 2021/22 may be a continued level of COVID-19 responses while also a decreased ability to rely on previously redeployed resources. Clarification from the Scottish Government on the level of funding support available for next financial year 2021/22 is awaited across Scotland but the carry forward funding noted above will provide good reassurance that approved costs will be supported by the Government.

Longer Term Financial Risks

Aside from the over-riding immediate cost impact of COVID-19, there are other financial risks. In future years there is uncertainty regarding long term prescribing issues, immediate and longer term impact on our independent sector providers, the impact of service reconfiguration and a range of other potential medium and longer term implications. These issues are common across Scotland and continue to be part of regular discussion and reporting between all IJBs and the Scottish Government.

Successful New Approaches over the last year

Many services were redesigned to give all citizens in East Lothian access to services during these unprecedented times. Some of these service changes will remain a feature of future operations and strategic plans going forward, some highlights are shown below:



Mental Health Services

It is acknowledged that the negative mental health effects on the pandemic are likely to last longer than the physical health impacts. Mental health effects are falling unequally across society, with people in some social groups bearing much more of the mental health burden than others and those who face the greatest disadvantages in life also face the greatest risk to their mental health.

There was a need to ensure that individuals across East Lothian had equitable access to Primary Care Mental Health support to promote health and well-being. When the pandemic struck our Mental Health services moved quickly to make sure people experiencing poor mental health still had access to the support they needed. The Collaborative Working for Immediate Care (CWIC) Mental Health line was launched in May 2020 and offers same day assessment and support for people suffering with their mental health. An integrated team of Mental Health PR actioners was formed from existing staff to support a single Primary Care Mental Health pathway.

'We were surprised and delighted at how well the service has been used. It was great getting GP endorsement and referrals, but a surprising number of people phoned us themselves, which is what we're there for. We even managed to engage with people who don't always get in touch through traditional routes, for example, younger men'

Fiona Graham from the CWIC Mental Health Team

Physiotherapy Services for East Lothian

Joint and muscle pain didn't go away during the pandemic. The MSK and Rehab team had to move fast to find other ways to support people in difficulty. They opted for a same-day assessment phone line, which built on the work they had already been doing on early intervention.

We also moved on-line, our lead physiotherapist, has recorded specialist exercise programmes which he posts on-line for patients with ongoing physio needs. This has helped people who couldn't come into our gym any more to carry on their regime at home.

'With joint or muscle pain, the earlier you get advice and support the better,' says Lesley. 'Putting up with pain may be brave, but it's not good for you. We wanted to make sure that people could access physio and occupational therapy and support as soon as they needed it.'

'We are looking forward to getting back to face-to-face, but the phone lines will stay because they have already proved their worth for people working, parenting or caring'

Lesley Berry, General Manager for Access and Rehabilitation



Community Link Workers



We all live with pressures in our daily life but sometimes those pressures grow to the point that they affect our health and wellbeing. There are lots of reasons for feeling under pressure. It could be money worries, living in a stressful relationship, struggling with mental health or finding it difficult to cope with your role as a parent or carer. The Community Link Worker Service is here to help people manage and reduce these pressures. They are link people with support and activities available locally that can help. This can be anything from specialist advice and support to health and wellbeing activities that help you relax or exercise and focus on yourself for a while.

Nursing Support in the Care Homes

During the coronavirus pandemic it became apparent how important the Care Home



Team was in supporting care homes. East Lothian was in the fortunate position of having an established nurse-led Care Home Team. This already provided Nurse Practitioner support to anticipatory care, long-term conditions support and to respond to acute illness presentations in residents in a number of independent care homes and HSCP managed care homes. The team also provided training to care home staff. The team liaises with those GP colleagues covering each

Care Home for medical advice as required. This has greatly reduced the need for GPs to attend Care Homes and has reduced emergency admissions.

During the COVID-19 first wave the team was extended and restructured to support all care homes within East Lothian. A Care Home Operational Group monitors care home occupancy, staffing, infection control and outbreak status and initiates action as required.

Care homes are increasingly using telephone rather than face-to-face assessment. This is reducing time delays to assessment and reducing delays to discharge, and ultimately occupied bed days.



Community Treatment and Access Service (CTACS)

We were just ready to start rolling out our new CTACS service when the pandemic hit. However, after a slight delay we opened our first Community Treatment and Access service base at East Lothian Community Hospital in June 2020 and are available with every East Lothian practice. CTACS offer a range of specialised services which include wound management, stitch and staple removals and B12 injections without a GP referral.

'We have a fantastic team of experienced NHS nurses in our team. CTACS can offer patients longer appointments when needed, allowing the team to take the time to fully assess and plan individualised care to patients.'

'This is a new way of receiving care – one which helps us to ensure people are able to see the right person at the right place at the right time, and one which I know people are coming to value.' CTACS lead Deidre Quigley

A strategic approach to this was taken and the IJB was involved appropriately. The core components and key developments for 2020/21 are summarised above and further details will be included in the Annual Performance Report. The Annual Performance Report will not be published until November, it has therefore not been possible to include a link to this at this time, but this will be available on the IJB webpage in due course which will include key performance indicators and comparators.

Plans for Next Year

Review of Adult Social Care

Following the Independent Review of Adult Social Care (published in February 2021), East Lothian IJB will closely scrutinise the Review, its recommendations and the implications for East Lothian and for partnership working

<https://www.gov.scot/publications/independent-review-adult-social-care-scotland/>

The Review was set up to recommend improvements to adult social care in Scotland. It looked at these in terms of the outcomes for people who use services, their carers and families and the experience of those working in the sector.

Although the financial implications of the recommendations cannot be assessed at this stage, the changes proposed do not come without costs. There are key areas with greater costs implications but there is also opportunities to spend money better.

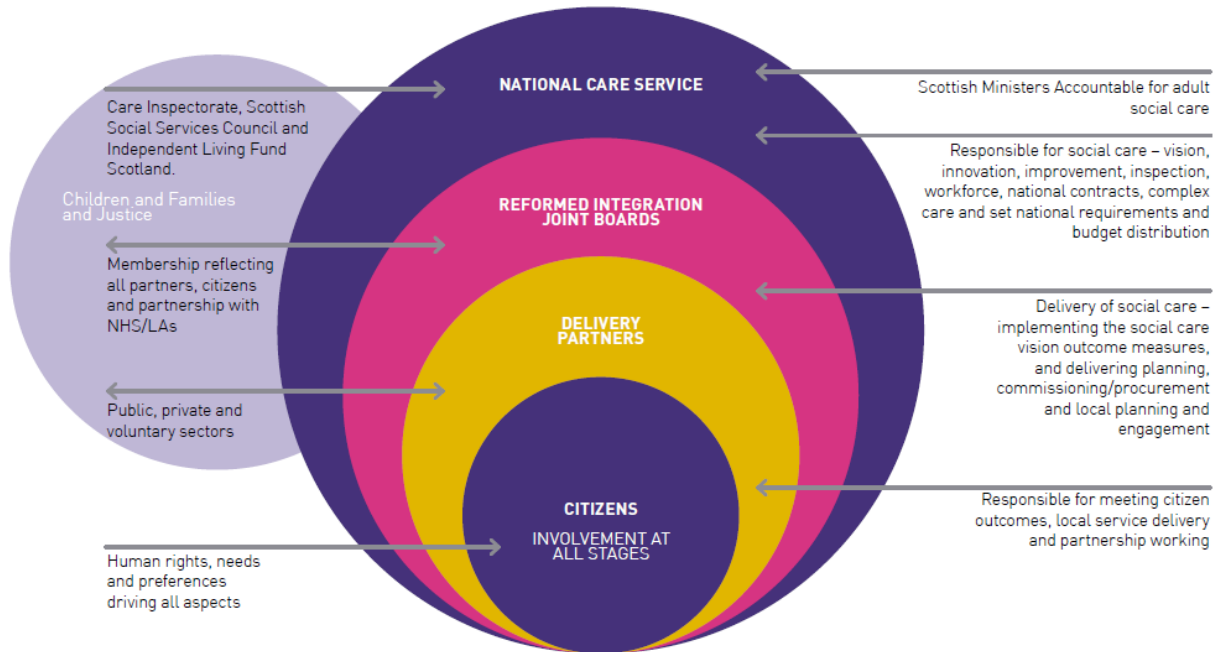
The report describes that some costs arise in our current system because social care supports are often too focused on crisis management and late intervention, and not enough on prevention and empowering people to live fulfilling lives. Suggesting that with more effective care planning and delivery it could in some instances be put to better use to support people more effectively

The focus with all partners is to invest in preventative care rather than crisis responses, to avoid expenditure on poor outcomes.



The diagram below summarises the ethos of the review and the end goal of ensuring the human rights of our citizens is driving all aspects of the review.

The case for a National Care Service (NCS)



(Source – Independent Review of Adult Social Care in Scotland)

East Lothian IJB have a key objective within their Strategic Plan (2019-2022) to transform care. The transformation programmes will consider the role of all colleagues, including social care, in developing future care and service options. The IJB’s strategic objectives, aim to “...support all people in East Lothian to live the lives they want as well as possible, achieving their potential to live independently and exercising choice over the services they use.”

East Lothian Health and Social Care Partnership faces current and future increasing demands from an ageing and growing population. It also faces further challenges in meeting the needs of a range of different communities, some urban, some more rural.

East Lothian IJB will work closely in decision making at NHS Board, regional and national levels. We will continue to work with partners to simplify processes to deliver service change and to improve outcomes for patients while increasing the efficient use of public funds in the delivery of services

The IJB’s Position at 31 March 2021

For the year ending 31 March 2021, the IJB was underspent. That is, the costs incurred in delivering the IJB’s functions by East Lothian Council and NHS Lothian are less than the income that the IJB received from NHS Lothian and East Lothian Council.



The year-end position was arrived at as follows:

	Income £000's	Expenditure £000's	Surplus £000's
Health	143,606	136,829	6,777
Social Care	49,385	48,952	433
Total	192,991	185,781	7,210

This surplus has been transferred to the IJBs reserve which is described further below.

Although the IJB has a range of functions delegated to it, these are delivered through a range of services provided by the partners (East Lothian Council and NHS Lothian) and these are further described below in the analysis of the Income and Expenditure position.

Analysis of the Financial Statements

The financial statements are all presented on a net basis.

The table below summarises the income and expenditure for the IJB for 2020/21.

Income and Expenditure

	Budget Health £000's	Budget Social Care £000's	Expenditure Health £000's	Expenditure Social Care £000's	Variance £000's	Note
Direct East Lothian Services						
Community AHPS	4,037		3,993		45	
Community						
Hospitals	11,613		11,608		5	
District Nursing	2,600		2,488		112	
General Medical						
Services	17,746		17,928		(182)	
Health Visiting	1,900		1,740		159	
Mental Health	6,161		5,886		275	
Other	16,787		10,445		6,342	
Prescribing	20,599		20,686		(87)	
Resource Transfer	4,733		4,738		(4)	1
Older People		26,466		28,126	(1,660)	
Mental Health		2,004		2,001	2	
Physical Disabilities		3,378		3,073	305	
Learning Disabilities		16,103		16,325	(222)	
Planning and						
Performance		2,871		2,543	328	
Other		4,779		3,100	1,679	
East Lothian Share of pan Lothian						
Set Aside	21,921		21,957		(36)	2
Mental Health	2,411		2,492		(81)	
Learning Disabilities	1,816		1,786		30	
GP Out of Hours	1,392		1,517		(125)	
Rehabilitation	875		773		103	
Sexual Health	801		748		53	



Psychology	908		990		(82)	
Substance Misuse	411		407		4	
Allied Health						
Professions	1,500		1,391		109	
Oral Health	2,098		2,060		38	
Other	3,846		3,746		100	
Dental	6,824		6,824		0	3
Ophthalmology	2,046		2,046		0	3
Pharmacy	4,363		4,363		0	3
Totals	137,390	55,601	130,613	55,168	7,210	
SCF	6,216	(6,216)	6,216	(6,216)		4
Per accounts	143,606	49,385	136,829	48,952		

(* Due to rounding's the Totals for Health are out by £1k when summing the individual budget and expenditure lines.)

Income & Expenditure Notes

1. Resource Transfer are funds for specific purposes which are transferred from health to social care. However, these remain part of the health budget and are reported there.
2. Set Aside is the budget for those functions delegated to the IJB which are managed by the Acute Services management teams within NHS Lothian; These services are:
 - Accident and Emergency
 - Cardiology
 - Diabetes
 - Endocrinology
 - Gastroenterology
 - General Medicine
 - Geriatric Medicine
 - Rehabilitation Medicine
 - Respiratory Medicine
 - Various ancillary support services for the above.

These services are delivered at the Royal Infirmary of Edinburgh, the Western General Hospital and St. John's Hospital.

3. In the Health system, expenditure to support the delivery of community dentistry, community opticians and community pharmacists is termed as 'non cash limited' (NCL) but is clearly part of the delivery of primary care services and these functions are delegated to the IJB. However, being NCL there is no budget as such but any expenditure incurred is supported in its entirety by the Scottish Government. The NCL values are not part of the budget setting process, there being no budget, but NHS Lothian has matched the NCL expenditure with income to cover this expenditure.
4. The Social Care Fund (SCF) is a resource which the Scottish Government has directed to the IJB through NHS Lothian and is shown as health funds in the accounts. However, these funds are then transferred to the Council and used to support the delivery of social care services and the analysis above reflects this.



The charges (shown as expenditure above) made by East Lothian Council to the IJB are the net direct costs incurred in the delivery of social care services in East Lothian. The charges from NHS Lothian are based on the health budget setting model as agreed by the IJB. That is, charges for the core services (those services specifically for and delivered by the East Lothian HSCP) are based on the net direct actual costs incurred in East Lothian. However, charges for hosted and set aside services (those services which are not generally managed by the East Lothian Partnership and are delivered on a pan-Lothian basis) are based on the total actual costs for these services shared across four IJBs per the budget setting model. The IJB share of the total actual costs incurred in 2020/21 for hosted services is 12% and, generally, 12% of the Lothian element of the set aside budgets and the non-cash limited budgets.

Overview of the 2020/21 position

As is discussed above, the IJB was underspent by £7.2m in 2020/21. However, this underspend is largely made up of committed funds that have been carried forward into 2021/22 with the 'operational' underspend being c. £1.3m. This is laid out in detail in the analysis of reserves below. This operational underspend will be taken to the general reserve which is £3.1m at March 2021. The IJB's reserve strategy proposed a reserve of c. 2% of the IJB's turnover which would equate to c. £3.8m.

The IJB's income has increased by £21.2m between 2019/20 and 2020/21 although £10.7m of that was specifically to cover the additional costs of the COVID-19 pandemic. Having excluded the COVID-19 income, the IJB's income was increased in line with the Scottish Government's guidance by NHS Lothian and East Lothian Council.

The IJB's expenditure is detailed above along with indicative budgets by service and, again having excluded the COVID-19 carry-forward (shown in 'Other' under health) the most significant operational overspend of £1.6m is within the services for Older People within Social Care, much of this relating to older people with an underlying condition, as explained below under Direct Services. There is also an element of the impact of the pandemic whereby additional social care costs are showing in the services where incurred but funding is showing in 'Other' which is showing a £1.6m underspend.

Direct East Lothian Services

In the health budgets although there were operational overspends within General Medical Services these were offset by vacancies across the system, reduction in staffing requirements associated with the ward redesign and slippage of programmes (programmes starting later in the year than planned and thus generating an underspend).

Within the social care budgets the pressures lay within increased demand for commissioned care services, particularly clients with Learning and Physical Disabilities. There was a change to grouping for people aged 65 and over who have a Learning, Physical or Mental Health illness; all are now showing within Older People where in 2019/20 accounts they would show in the other categories regardless of age. For 2021/22 a budget reset exercise has taken place to address this change in categorisation.



East Lothian Share of Pan-Lothian Services

The Scottish Government released funding to cover the impact of COVID-19 costs on NHS Lothian's position and that funding has been allocated to delegated and set aside services to offset additional expenditure incurred. The areas within hosted services with continued pressures being experienced are Adult Psychology Services and Mental Health Inpatient services with additional capacity being required in year to cope with high demand.

The main pressure for Set Aside services in this financial year lies within Gastroenterology Services and the ongoing pressure with drug costs for the treatment of long-term gastroenterology conditions. Junior Medical pay pressure also continued during this year, where additional staffing was required to fill gaps in rotas and where there were service pressures. The Junior Medical position has improved significantly from previous years but still remains a pressure.

With COVID-19 funding being allocated across the IJB set aside specialities to cover additional costs incurred around extra staffing to cope with COVID-19, the overall position on set aside is much improved compared to previous years.

Appendix 1 illustrates the principal of Set Aside

Reserves

The IJB's reserves are classified as either Useable or Unusable Reserves.

The IJB is permitted to set aside future amounts of reserves for future policy purposes. These reserves normally comprise funds that are set aside for specific purposes; and funds which are not earmarked for specific purposes but are set aside to deal with unexpected events or emergencies.

The IJB has reserves at the end of 2020/21 of £9.608m, compared to reserves of £2.398m in March 2020. The movement can be described below.

The IJB's useable reserve is broken down as follows and a full breakdown of earmarked reserves shows later in the accounts:

	2019/20 Total £000's	2020/21 Movement £000's	2020/21 Total £000's
General Reserves			
Surplus on Provision of Service	1,793	1,289	3,082
Earmarked Reserves			
Surplus on Provision of Service	605	5,921	6,526
Total Usable reserves	2,398	7,210	9,608

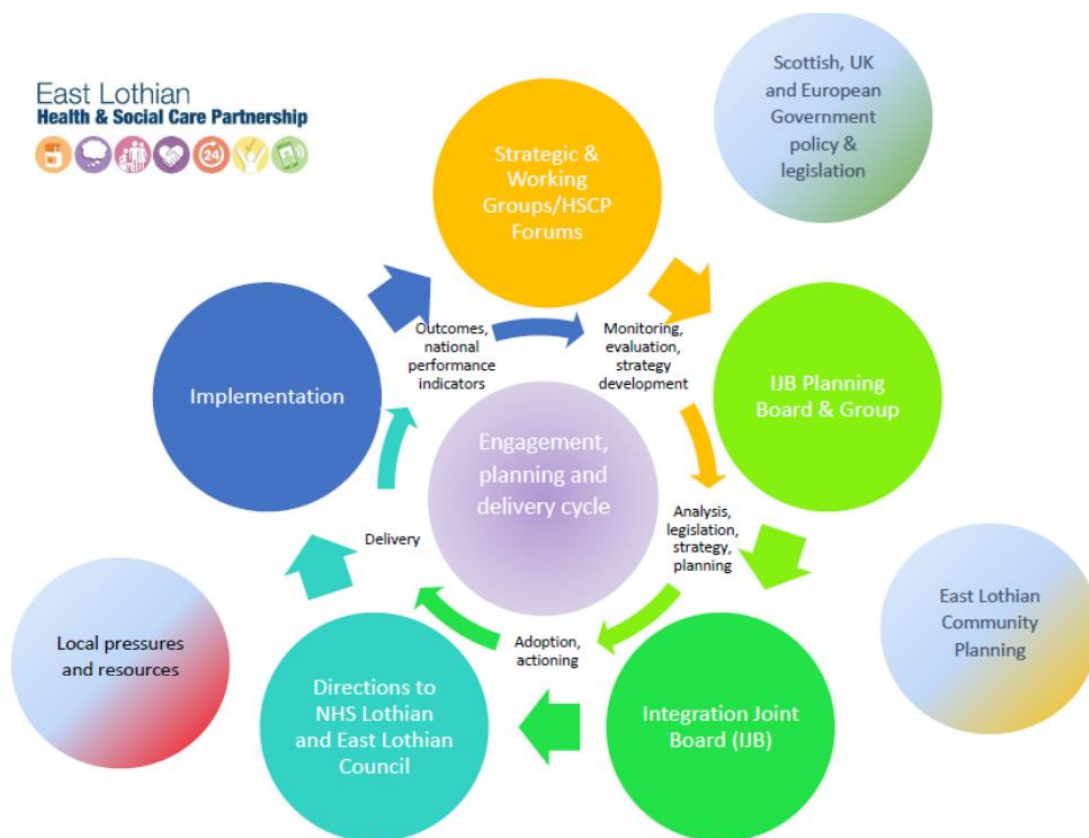
The IJB's Strategy and Business Model



The actions outlined in the Strategic Plan form the basis of more detailed plans for client groups and key services. They also form the basis of the Directions we give to NHS and East Lothian Council and enables us to set out the following strategic aims.

Engagement is key to everything that we do and the purpose of this strategy is to ensure that:

- we have a clear and effective participation and engagement approach which is at the heart of reforming health and social care services locally
- enables the Partnership’s vision and how it works to become a reality
- informs decision making processes that drive strategy and inform the carrying out of delegated functions.



East Lothian IJB is committed to ensuring that services:

- are joined-up for service-users
- take account of the particular needs of individual service-users and their circumstances in different parts of the county
- improve the quality of our services and ensure that they are planned and delivered locally in a way that is engaged with our communities
- make the best use of the available facilities, people and other resources.

The IJB’s remit and goals are laid out in the IJB’s Strategic Plan.



Key Risks and Uncertainties

The challenge for the IJB is to transform the delivery of its delegated functions whilst supporting the delivery of financial balance within the financial resources available.

There remain a series of uncertainties:

- The coronavirus pandemic resulted in a disruption for many services and additional funding met by the Scottish Government to mobilise services is a short term solution. The medium and long term impacts of the pandemic remain uncertain and there is little doubt that significant financial challenges lay ahead.
- East Lothian faces increasing demands from this ageing and growing population and we must ensure we have the ability to provide additional GP consultations and provide services locally in appropriate premises. East Lothian has the highest level of aging population growth in Scotland. This population growth and the increasing aspiration to deliver more care in the local community results in pressure on GP practices to provide fit-for-purpose premises.
- The increasing population in East Lothian remains a challenge which may exacerbate the staffing and financial pressures above.
- The financial position for the UK and Scotland remains uncertain and this will provide a challenge to the amount of financial resources available to the IJB.
- That said, the Scottish Government have announced a series of investments in Primary Care, Mental Health and Substance misuse and Drugs Related Deaths all of which will be directed to the IJB and these resources will support not only the delivery of the new GMS contract but also the transformation programme that the IJB is managing for these services.
- The current fragility of provider organisations in the home care and care homes sector may require action and investment to secure sustainability in these important services

Shamin Akhtar
Chair

Alison MacDonald
Chief Officer

David King
Interim Chief Finance Officer



Statement of Responsibilities

Responsibilities of the Integration Joint Board

The Integration Joint Board is required to:

- Make arrangements for the proper administration of its financial affairs and to secure that the proper officer of the board has responsibility for the administration of those affairs (section 95 of the Local Government (Scotland) Act 1973). In this authority, that officer is the chief finance officer
- Manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets
- Ensure 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)
- Approve the Annual Accounts.

I confirm that these Annual Accounts were approved for signature at a meeting of the Integration Joint Board.

Signed on behalf of East Lothian Integration Joint Board

Shamin Akhtar
Chair



Responsibilities of the Chief Finance Officer

The Chief Finance Officer is responsible for the preparation of the IJB's Annual Accounts in accordance with proper 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 Accounting Code).

In preparing the Annual Accounts, the Chief Finance Officer has:

- Selected suitable accounting policies and then applied them consistently
- Made judgements and estimates that were reasonable and prudent
- Complied with legislation
- Complied with the local authority Code (in so far as it is compatible with legislation).

The Chief Finance Officer has also:

- Kept proper accounting records which were up to date
- Taken reasonable steps for the prevention and detection of fraud and other irregularities.

I certify that the financial statements give a true and fair view of the financial position of the East Lothian Integration Joint Board as at 31 March 2021 and the transactions for the year then ended.

David King
Interim Chief Finance Officer



Remuneration Report

Introduction

This Remuneration Report is provided in accordance with the Local Authority Accounts (Scotland) Regulations 2014. It discloses information relating to the remuneration and pension benefits of specified IJB members and staff.

The information in the tables below is subject to external audit. The explanatory text in the Remuneration Report is reviewed by the external auditors to ensure it is consistent with the financial statements.

Remuneration: IJB Chair and Vice Chair

The voting members of the IJB are appointed through nomination by East Lothian Council and NHS Lothian Board. Nomination of the IJB Chair and Vice Chair post holders alternates between a Councillor and a Health Board representative.

The IJB does not provide any additional remuneration to the Chair, Vice Chair or any other board members relating to their role on the IJB. The IJB does not reimburse the relevant partner organisations for any voting board member costs borne by the partner. Neither the Chair nor the Vice Chair appointments had any taxable expenses paid by the IJB in 2020/21.

The IJB does not have responsibilities, either in the current year or in future years, for funding any pension entitlements of voting IJB members. Therefore no pension rights disclosures are provided for the Chair or Vice Chair.

NHS Lothian remunerates its non-executive members on a notional day basis. That is they are paid a fixed annual amount which is considered to represent payment for one day a week. Those non-executive members of the NHS Lothian Board, who are also Chairs or Vice Chairs of IJBs, are given an additional day's remuneration per week in recognition of the additional time required to undertake those roles. Peter Murray, as a non-executive member of NHS Lothian Board who was also the Vice Chair of East Lothian IJB, has received an additional day's remuneration specifically for his role as Vice Chair of the IJB in 2020/21. This remuneration is £8,842 per annum.

Remuneration: Officers of the IJB

The IJB does not directly employ any staff in its own right, however, specific post-holding officers are non-voting members of the Board.

Chief Officer

Under section 10 of the Public Bodies (Joint Working) (Scotland) Act 2014 a Chief Officer for the IJB has to be appointed and the employing partner has to formally second the officer to the IJB. The employment contract for the Chief Officer will adhere to the legislative and regulatory framework of the employing partner organisation. The remuneration terms of the Chief Officer's employment are approved by the IJB.



The Chief Officer of the IJB is Alison MacDonald. Alison has a joint role as Director of Health and Social Care for East Lothian Council and the Joint Director of the East Lothian Partnership. As in previous years it has been agreed, 50% of total remuneration is to be shown in the accounts of the IJB as the remuneration as the Chief Officer of the IJB.

Chief Finance Officer

The Chief Finance Officer of the IJB is Claire Flanagan. Although the costs of the Chief Finance Officer are not included in the charges made to the IJB by either partner, given the S95 role of the Chief Finance Officer and in the interests of transparency the remuneration of the Chief Finance Officer is included below. The Chief Finance Officer is employed by NHS Lothian and has three roles – the IJB’s Chief Finance Officer, the Chief Finance Officer of Midlothian IJB and an operational role in the NHS Lothian finance team as a Finance Business Partner. On that basis, one third of the total remuneration is shown below.

Other Officers

No other staff are appointed by the IJB under a similar legal regime. Other non-voting board members who meet the criteria for disclosure are included in the disclosures below.

Total for 2019/20 £	Senior Employees Salary, Fees & Allowances	Total for 2020/21 £
48,004	Alison MacDonald, Chief Officer	50,757
23,781	Claire Flanagan, Chief Finance Officer	25,000

In respect of officers’ pension benefits, the statutory liability for any future contributions to be made rests with the relevant employing partner organisation. On this basis there is no pensions liability reflected on the IJB balance sheet for the Chief Officer or any other officers.



Pension Disclosure

The IJB however has responsibility for funding the employer contributions for the current year in respect of the officer time spent on fulfilling the responsibilities of their role on the IJB. The following table shows the IJB's funding during the year to support officers' pension benefits. The table also shows the total value of accrued pension benefits which may include benefits earned in other employment positions and from each officer's own contributions.

	In year Contribution			Accrued Pension benefits		
	For year to 30/03/2021 £000's	For year to at 31/3/2020 (restated) £000's		Difference from 31/3/2020 £000's	at 31/3/2021 £000's	at 31/3/2020 (restated) £000's
Alison MacDonald	14	13	Pension Lump Sum	3 -	16 6	13 6
Claire Flanagan	9	9	Pension Lump Sum	3 1	16 25	13 24

(* The 2019/20 figures have been restated due to information that came to light during 2020/21)

Disclosure by Pay Bands

Pay band information is not separately disclosed as all staff pay information has been disclosed in the information above.

Exit Packages

The IJB did not support nor did it direct to be supported by its partners for any exit packages during 2020/21.

Shamin Akhtar
Chair

Alison MacDonald
Chief Officer



Annual Governance Statement

Purpose

The annual governance statement lays out how East Lothian Integration Joint Board (the ELIJB) complies with the Code of Corporate Governance and sets out the framework within which the ELIJB has put in place proper financial and governance arrangements for the conduct of its business affairs. This will facilitate the effective exercise of its functions, ensuring that appropriate arrangements are in place for the management of risk and that appropriate systems of internal control are in place.

Scope of Responsibility

ELIJB is responsible for ensuring that its business is conducted in accordance with the law and proper standards. This is to allow the 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 the Chief Finance Officer, are responsible for the governance of the business affairs of the ELIJB. This includes setting the strategic direction, vision, culture and values of the ELIJB and establishing appropriate and cost effective systems, processes and internal controls to allow the strategic objectives to be delivered.

In order to achieve this, the ELIJB follows the principles of corporate governance based on the CIPFA/SOLACE Framework and Guidance on ‘Delivering Good Governance in Local Government’.

The ELIJB Local Code of Corporate Governance details 7 core principles which are supported by 20 sub-principles and 91 behaviours and actions that demonstrate good governance. Elements of good governance included are:

- Ensuring Board and Committee members behave with integrity and lead a culture where acting in the public interest is visibly and consistently demonstrated thereby protecting the reputation of the ELIJB;
- Creating the conditions to ensure that all ELIJB members and the ELIJB’s partners (East Lothian Council and NHS Lothian) are able to fulfil their responsibilities in accordance with legislative and regulatory requirements;
- Having a clear vision, which is an agreed formal statement of the ELIJB’s purpose and intended outcome which provide the basis for the ELIJB’s overall strategy, planning and other decisions, the ELIJB Strategy was agreed by the ELIJB in March 2019 and runs from April 2019 to March 2022;
- Developing and maintaining an effective workforce plan to enhance the strategic allocation of resources and to ensure best value is achieved, the ELIJB Workforce Plan 2019-2022 was approved by the ELIJB in May 2019;
- Evaluating and monitoring risk management and internal control on a regular basis, which is monitored through the ELIJB Audit and Risk Committee;
- Ensuring additional assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control is provided by the ELIJB’s Chief Internal Auditor, as monitored through the ELIJB Audit and Risk Committee;
- Ensuring an audit committee, which is independent of the Board and accountable to the IJB, provides a further source of effective assurance regarding arrangements



for managing risk and maintaining an effective control environment and that its recommendations are listened to and acted upon. As demonstrated in the maintenance of all 2020/21 Audit and Risk Committee meetings being held remotely apart from the June 2020 Committee when significant items were considered at the June 2020 ELIJB meeting;

- Ensuring robust arrangements for assessing the extent to which the principles contained in the Framework have been applied and providing an Annual Report which includes an action plan for improvement and evidence to demonstrate good governance (the annual governance statement); and
- Ensuring that recommendations for corrective action made by the external auditor are acted upon.

ELIJB'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 ELIJB's financial arrangements and is professionally qualified and suitably experienced.

The ELIJB 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 ELIJB's governance framework is informed by:

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

The key governance arrangements and controls are set out in the Local Code of Corporate Governance.

Statutory and other Compliance

ELIJB ('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 ELIJB's inaugural meeting and were subsequently amended on 26 March 2020 as part of COVID-19 recess procedures. They comply with statutory requirements;
- Committees - the Board has established an Audit and Risk Committee with a detailed remit and 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. During the



2020/21 year meetings have been held remotely via Teams. Local press representatives have been invited to meetings and the meetings recorded and made available publicly to meet these commitments;

- 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. From August 2020 the Strategic Planning Group continued to meet remotely;
- Officers - the Board appointed a Chief Officer and a Chief Finance Officer as required by the legislation. 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 the functions delegated by East Lothian Council and NHS Lothian, and 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 financial statements;
- Code of Conduct - the Board adopted a Code of Conduct based on the existing Model Code for Members of Devolved Public Bodies in Scotland, and members have registered their interests according to that Code. The Scottish Government approved the ELIJB's Code of Conduct on 1 June 2016.

The ELIJB Chief Internal Auditor has responsibility for the provision of Internal Audit services to the ELIJB and reports functionally to the ELIJB Audit and Risk Committee to allow appropriate independence. The ELIJB Chief Internal Auditor is professionally qualified and suitably experienced to lead and direct the Internal Audit team.

The ELIJB Chief Internal Auditor concluded that based on the work undertaken in 2020/21 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 to 31 March 2021, but noted areas for further development. These improvements are reflected below.

Action Plan

During 2020/21, areas identified with scope for improvement included the following:

- The current Health and Social Care Partnership workforce plan and workforce action plan does not reflect the workforce developments arising from the events of 2020, and will require staff in the role of workforce development to take forward appropriate actions.
- If the Health and Social Care Partnership are required to continue operating a PPE equipment hub following the current review, then procedures to ensure a complete audit trail for equipment from receipt to delivery to NHS locations and social care providers will be required.

The implementation of these actions to enhance the governance arrangements in 2021/22 will be driven and monitored by the ELIJB Chief Officer in order to inform the next annual review. Internal Audit work planned in 2021/22 is designed to test improvements and compliance in governance and implementation of agreed recommendations. Progress has been made against all actions noted in the 2019/20 annual governance statement and monitoring to completion is undertaken by Internal Audit.



It is our opinion, subject to the weaknesses outlined above, that reasonable assurance can be placed on the overall adequacy and effectiveness of the IJB's framework of governance, risk management and control for the year to 31 March 2021.

Shamin Akhtar
Chair

Alison MacDonald
Chief Officer



Independent Auditor's Report

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

Reporting on the audit of the financial statements

Opinion on financial statements

I certify that I have audited the financial statements in the annual accounts of the East Lothian Integration Joint Board for the year ended 31 March 2021 under Part VII of the Local Government (Scotland) Act 1973. The financial statements comprise the Comprehensive Income and Expenditure Statement, Movement in Reserves Statement, Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. 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 2020/21 (the 2020/21 Code).

In my opinion the accompanying financial statements:

- give a true and fair view in accordance with applicable law and the 2020/21 Code of the state of affairs of the East Lothian Integration Joint Board as at 31 March 2021 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union, as interpreted and adapted by the 2020/21 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.

Basis for opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the [Code of Audit Practice](#) approved by the Accounts Commission for Scotland. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I was appointed under arrangements approved by the Accounts Commission on 10 April 2017. The period of total uninterrupted appointment is five years. I am independent of the East Lothian Integration Joint Board in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. Non-audit services prohibited by the Ethical Standard were not provided to the East Lothian Integration Joint Board. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern basis of accounting

I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the East Lothian Integration Joint Board's ability to continue to adopt the



going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

Risks of material misstatement

I report in a separate Annual Audit Report, available from the [Audit Scotland website](#), the most significant assessed risks of material misstatement that I identified and my judgements thereon.

Responsibilities of the Chief Finance Officer and the Audit and Risk Committee for the financial statements

As explained more fully in the Statement of Responsibilities, the Chief Finance Officer is responsible for the preparation of financial statements that give a true and fair view in accordance with the financial reporting framework, and for such internal control as the Chief Finance Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Chief Finance Officer is responsible for assessing the East Lothian Integration Joint Board's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless deemed inappropriate.

The Audit and Risk Committee is responsible for overseeing the financial reporting process.

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities outlined above to detect material misstatements in respect of irregularities, including fraud. Procedures include:

- obtaining an understanding of the applicable legal and regulatory framework and how the East Lothian Integration Joint Board is complying with that framework;
- identifying which laws and regulations are significant in the context of the East Lothian Integration Joint Board;
- assessing the susceptibility of the financial statements to material misstatement, including how fraud might occur; and
- considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the East Lothian Integration Joint Board's controls, and the nature, timing and extent of the audit procedures performed.



Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error as fraud may involve collusion, intentional omissions, misrepresentations, or the override of internal control. The capability of the audit to detect fraud and other irregularities depends on factors such as the skilfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor's report.

Reporting on other requirements

Opinion prescribed by the Accounts Commission on the audited part of the Remuneration Report

I have audited the part of the Remuneration Report described as audited. In my opinion, the audited part of the Remuneration Report has been properly prepared in accordance with The Local Authority Accounts (Scotland) Regulations 2014.

Statutory other information

The Chief Finance Officer is responsible for the statutory other information in the annual accounts. The statutory other information comprises the Management Commentary, Annual Governance Statement, Statement of Responsibilities and the unaudited part of the Remuneration Report.

My responsibility is to read all the statutory other information and, in doing so, consider whether the statutory other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this statutory other information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the statutory other information and I do not express any form of assurance conclusion thereon except on the Management Commentary and Annual Governance Statement to the extent explicitly stated in the following opinions prescribed by the Accounts Commission.

Opinions prescribed by the Accounts Commission on Management Commentary and Annual Governance Statement

In my opinion, based on the work undertaken in the course of the audit:

- the information given in the Management Commentary for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with statutory guidance issued under the Local Government in Scotland Act 2003; and
- the information given in the Annual Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial



statements and that report has been prepared in accordance with the Delivering Good Governance in Local Government: Framework (2016).

Matters on which I am required to report by exception

I am required by the Accounts Commission to report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and the audited part of the Remuneration Report are not in agreement with the accounting records; or
- I have not received all the information and explanations I require for my audit.

I have nothing to report in respect of these matters.

Conclusions on wider scope responsibilities

In addition to my responsibilities for the annual accounts, my conclusions on the wider scope responsibilities specified in the Code of Audit Practice, including those in respect of Best Value, are set out in my Annual Audit Report.

Use of my report

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 120 of the Code of Audit Practice, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

Gillian Woolman (MA FCA CPFA)
Audit Scotland
102 West Port
Edinburgh
EH3 9DN



Comprehensive Income and Expenditure Statement

This statement shows the cost of providing services for the year according to accepted accounting practices. Where the impact on the General Fund is amended by statutory adjustments this is shown in the Movement in Reserves Statement.

2019/20		Note	2020/21
Net Expenditure			Net Expenditure
£000			£000
3,295	Community AHPS		3,993
9,953	Community Hospitals		11,608
2,393	District Nursing		2,488
16,550	General Medical Services		17,928
1,625	Health Visiting		1,740
7,437	Mental Health		7,888
10,013	Other		13,545
21,031	Prescribing		20,686
3,226	Resource Transfer		4,738
24,049	Older People		28,126
3,321	Physical Disabilities		3,073
17,363	Learning Disabilities		16,325
2,663	Planning and Performance		2,543
26,154	Share of pan Lothian Health Services		29,144
22,118	Set Aside		21,957
171,191	Cost of Services		185,781
171,817	Taxation and Non-Specific Grant Income	6	192,991
626	Surplus or (Deficit) on Provision of Services		7,210
626	Total Comprehensive Income and Expenditure		7,210



Movement in Reserves Statement

This Statement shows the movement in the year on the different reserves held by the East Lothian IJB

	2019/20	2020/21	2020/21
	Total	Movement	Total
	£000	£000	£000
General Reserves			
Surplus on Provision of Service	1,793	1,289	3,082
Earmarked Reserves			
Surplus on Provision of Service	605	5,921	6,526
Total Usable reserves	2,398	7,210	9,608

Reserves

The Integration Joint Board is permitted to set aside future amounts of reserves for future policy purposes. These reserves normally comprise funds that are set aside for specific purposes; and funds which are not earmarked for specific purposes but are set aside to deal with unexpected events or emergencies. They are created by appropriating amounts out of revenue balances. When expenditure to be funded from a reserve is incurred, it is charged to the appropriate service in that year and thus included in the Comprehensive Income and Expenditure Statement. Movements in reserves are reported in the Movement in Reserves Statement.

Useable Reserves

East Lothian IJB has both a general reserve which can be used to mitigate financial consequences of risks and other events impacting on the IJB's resources and an earmarked reserve the monies within this fund are earmarked for specific purposes. East Lothian IJB has an earmarked reserve which can be used to mitigate financial consequences of risks and other events impacting on the specific project budget. The monies within this being the carry forward COVID-19 funding, Primary Care Improvement Fund, the Action 15 funding to support implementation of Scottish Government's Mental Health Strategy and other locally committed programmes.

Earmarked Reserves	£000
COVID-19	3,623
Primary Care Improvement Fund	226
Action 15 - Scottish Government Mental Health Strategy	53
Alcohol and Drugs Scottish Government Allocation	766
Community Living Change Fund	346
Locally Committed programmes	1,512
Committed Project Funds	6,526



Balance Sheet

The Balance Sheet shows the value, as at 31 March 2021, of the assets and liabilities recognised by the Board. The net assets of the Board are matched by the reserves held.

2019/20		Notes	2020/21
Total			Total
£000			£000
	Current Assets		
2,573	Short Term Debtors		9,608
	Current Liabilities		
(175)	Short Term Creditors		0
2,398	Total Assets less current Liabilities		9,608
	Capital and Reserves		
605	Earmarked Reserves		6,526
1,793	General Reserves		3,083
2,398	Total Reserves	MIRS	9,608
		Note 5	

The unaudited accounts were issued on 30 June 2021 and the audited accounts were authorised for issue on 27 September 2021.

David King
Interim Chief Finance Officer



Notes to the Financial Statements

1. Significant Accounting Policies

General Principles

The Financial Statements summarises the IJB's transactions for the 2020/21 financial year and its position at the year-end of 31 March 2021.

The IJB was established under the requirements of the Public Bodies (Joint Working) (Scotland) Act 2014 and is a Section 106 body as defined in the Local Government (Scotland) Act 1973.

The Financial Statements are therefore prepared in compliance with the Code of Practice on Local Authority Accounting in the United Kingdom 2020/21, supported by International Financial Reporting Standards (IFRS), unless legislation or statutory guidance requires different treatment.

The accounts are prepared on a going concern basis, which assumes that the IJB will continue in operational existence for the foreseeable future. The historical cost convention has been adopted.

Accruals of Income and Expenditure

Activity is accounted for in the year that it takes place, not simply when settlement in cash occurs. In particular:

- Expenditure is recognised when goods or services are received and their benefits are used by the IJB
- Income is recognised when the IJB has a right to the income, for instance by meeting any terms and conditions required to earn the income, and receipt of the income is probable
- Where income and expenditure have been recognised but settlement in cash has not taken place, a debtor or creditor is recorded in the Balance Sheet
- Where debts may not be received, the balance of debtors is written down.

It should be noted that the above principles are those applied by the partners (NHS Lothian and East Lothian Council). The IJB has funded these partners to deliver the delegated functions and these partners have charged the IJB as above.

Funding

The IJB is wholly funded through funding contributions from the statutory funding partners, East Lothian Council and NHS Lothian. Expenditure is incurred in the form of charges by the partners.

Cash and Cash Equivalents

The IJB does not operate a bank account or hold cash. Transactions are settled on behalf of the IJB by the funding partner. Consequently the IJB does not present a 'Cash and Cash Equivalent' figure on the Balance Sheet.

The funding balance due to or from each funding partner as at 31 March is represented as a debtor or creditor on the IJB's Balance Sheet. Where income and expenditure



have been recognised but settlement in cash has not taken place, a debtor or creditor is recorded in the Balance Sheet.

Employee Benefits

The IJB does not directly employ staff. Staff are formally employed by the partners who retain the liability for pension benefits payable in the future. The IJB therefore does not present a Pensions Liability on its Balance Sheet.

The IJB has a legal responsibility to appoint a Chief Officer. More details on the arrangements are provided in the Remuneration Report.

Provisions, Contingent Liabilities and Contingent Assets

Provisions are liabilities of uncertain timing or amount. A provision is recognised as a liability on the balance sheet when there is an obligation as at 31 March due to a past event, settlement of the obligation is probable, and a reliable estimate of the amount can be made. Recognition of a provision will result in expenditure being charged to the Comprehensive Income and Expenditure Statement and will normally be a charge to the General Fund.

A contingent liability is a possible liability arising from events on or before 31 March, whose existence will only be confirmed by later events. A provision that cannot be reasonably estimated, or where settlement is not probable, is treated as a contingent liability. A contingent liability is not recognised in the IJB's Balance Sheet but is disclosed in a note where it is material.

A contingent asset is a possible asset arising from events on or before 31 March, whose existence will only be confirmed by later events. A contingent asset is not recognised in the IJB's Balance Sheet but is disclosed in a note only if it is probable to arise and can be reliably measured.

The IJB has no provisions, contingent liabilities or contingent assets at 31 March 2021.

Reserves

The IJB's only Useable Reserve is the General Fund. The balance of the General Fund as at 31 March shows the extent of resources which the IJB can use in later years to support service provision. As noted above, the IJB had reserves of £9,608,000 at 31 March 2021.



Indemnity Insurance

The IJB has indemnity insurance for costs relating primarily to potential claim liabilities regarding Board member and officer responsibilities. NHS Lothian and East Lothian Council have responsibility for claims in respect of the services that they are statutorily responsible for and that they provide. The IJB holds separate indemnity insurance through its membership of the CNORIS scheme; the charge for this in 2020/21 was £6,000.

Unlike NHS Boards, the IJB does not have any ‘shared risk’ exposure from participation in CNORIS. The IJB participation in the CNORIS scheme is therefore analogous to normal insurance arrangements.

Known claims are assessed as to the value and probability of settlement. Where it is material the overall expected value of known claims taking probability of settlement into consideration is provided for in the IJB’s Balance Sheet.

The likelihood of receipt of an insurance settlement to cover any claims is separately assessed and, where material, presented as either a debtor or disclosed as a contingent asset.

2. Critical Judgements and Estimation Uncertainty

The critical judgements made in the Financial Statements relating to complex transactions are:

- The partner organisations have considered their exposure to possible losses and made adequate provision where it is probable that an outflow of resources will be required and the amount of the obligation can be measured reliably. Where it has not been possible to measure the obligation, or it is not probable in the partner organisations’ opinion that a transfer of economic benefits will be required, material contingent liabilities have been disclosed (there are none).
- The Annual Accounts contains estimated figures that are based on assumptions made by the IJB about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates. There are no items in the IJB’s Balance Sheet at 31 March 2021 for which there is a significant risk of material adjustment in the forthcoming financial year.

Provisions

The IJB has not created any provisions in respect of compensation claims. The IJB has not had any claims made against it in 2020/21 nor is it aware of any claims pending. However, it is not certain that all claims have been identified or that the historic level of settlement payments is a reliable guide for future settlements.

3. Events After the Reporting Period

The Annual Accounts were authorised for issue by the IJB. Events taking place after this date are not reflected in the financial statements or notes. Where events taking



place before this date provided information about conditions existing at 31 March 2021, the figures in the financial statements and notes have been adjusted in all material respects to reflect the impact of this information.

4. Short Term Debtors

The IJBs short term debtors are broken down as follows:

	2019/20	2020/21
	£000	£000
Funding due from NHS Lothian	2,272	9,049
Funding due from East Lothian Council	126	559
Total	2,398	9,608

Amounts owed by the East Lothian Council is stated on a net basis; that is the creditor balances relating to expenditure obligations incurred but not yet settled in cash terms are offset against the funds they are holding on behalf of the IJB.

5. Reserves

The IJB's useable reserve is broken down as follows:

	2019/20	2020/21
	£000	£000
Earmarked Reserves		
COVID-19 Funding	-	3,623
Scottish Government Mental Health Strategy - Action 15	50	53
Scottish Government Primary Care Improvement Plan Fund	235	226
Midlothian and East Lothian Drug and Alcohol Partnership	-	766
Community Living Change Fund	-	346
Locally Committed Programmes	320	1,512
	605	6,526
General Reserves	1,793	3,082
Total Reserves	2,398	9,608

6. Taxation and Non-Specific Grant Income

2019/20		2020/21
£000		£000
47,284	Contributions from East Lothian Council	49,385
124,533	Contributions from NHS Lothian	143,606
171,817	Total	192,991

The contributions received by East Lothian IJB represent the funding provided by the Partners (East Lothian Council and NHS Lothian).

The funding contribution from the NHS Board shown above includes £21,921k in respect of the set aside resources and £29,292k in respect of East Lothian's share of pan Lothian health services resources.



7. Corporate Service

Included in the above costs are the following corporate services:

2019/20		2020/21
£000		£000
48	Staff (Chief Officer)	51
6	CNORIS	6
26	Audit Fee	27
80	Total	84

8. Related Party Transactions

As partners with the East Lothian Integration Joint Board both East Lothian Council and NHS Lothian are related parties and the material transactions with these bodies are disclosed in these accounts.

There are elements of expenditure which are shown against NHS Lothian but where the resources are used by social care services delivered by East Lothian Council. Further details are shown on the Income and Expenditure analysis on page 18.

2019/20		2020/21
Net Expenditure		Net Expenditure
£000		£000
123,732	NHS Lothian	136,829
(3,226)	Resource Transfer	(4,738)
(6,216)	Social Care Fund	(6,216)
114,290	Total	125,875
47,459	East Lothian Council	48,952
3,226	Resource Transfer	4,738
6,216	Social Care Fund	6,216
56,901	Total	59,906

Both Resource Transfer and the Social Care fund are resources which are part of the NHS Lothian Budget and are shown as expected there in but these funds are used to deliver social care service supplied by East Lothian Council.

The change in Resource Transfer in 2020/21 relates to a presentational reclassification exercise within NHS Lothian. The actual monetary values between years remain largely static.



9. Agency Transactions

COVID-19 Grants were distributed on behalf of the Scottish Government in accordance with the Scottish Government's eligibility criteria. The £500 social care workers grant funding was not received in 20/21, but has been received and disbursed by East Lothian Council 2021/22.

10. VAT

The IJB is not a taxable entity and does not charge or recover VAT on its functions. The VAT treatment of expenditure and income within the accounts depends upon which of the partners is providing the services as these bodies are treated differently for VAT purposes.



Appendix 1 – Set Aside

Set Aside budget relates to services provided by large hospitals on behalf of the IJB. The principle is illustrated in the diagram below.

What is a set aside budget?

The budgets of integration authorities (IAs) are composed of two elements:

- Social care
- Health care – including primary and community healthcare, as well as some hospital care

The majority of integration authorities (IAs) have a 'set aside' budget. This relates to unscheduled acute hospital care.

How is the set aside budget agreed?

When setting the budget, the integration authority agrees with the NHS health board partner how much it expects to need for unscheduled acute hospital care. To do this, the partners use hospital data on levels of activity.

For IAs using the "set aside" approach, the agreed amount remains within the NHS rather than being paid to the IA (like the rest of the NHS contribution). This "set aside" budget should still remain under the control of the IA.



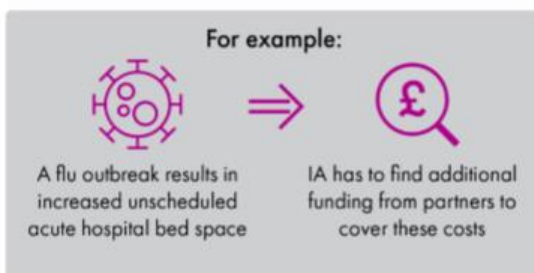
What can change the set aside budget?

In year

During the year, actual **unscheduled acute activity** might be higher or lower than anticipated.

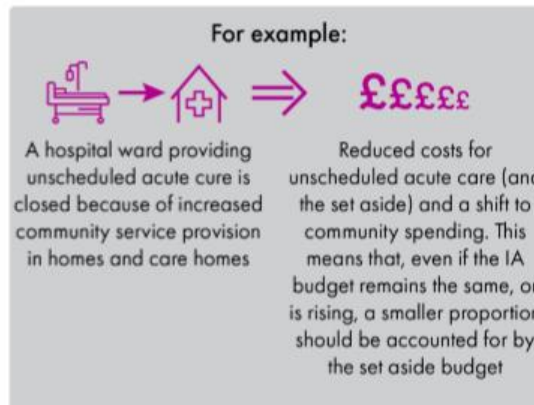
If activity is higher, the IA needs to agree with partners how these additional costs will be met.

If activity is lower, the IA should be able to decide how to spend the difference between actual and anticipated costs.



Longer term

Over the longer term, changes to how services are delivered should also be aimed at reducing demand for unscheduled acute care and – in turn – the set aside budget.



Source - Scottish Government Health and Sport Committee report in October 2019 "Looking ahead to the Scottish Government Health Budget 2020/21: When is hospital bad your health? "



SBAR – National Care Service Consultation

Date: 6th September 2021
Completed by: Paul Currie
Area: Planning and Performance

Situation	<p>A national consultation is underway concerning the proposed establishment of a National Care Service. This was a recommendation of the Independent Review of Adult Social Care¹ (IRASC) and has implications for the powers and duties of IJBs.</p> <p>The consultation was due to end on 18th October 2021. However, following lobbying by a number of organisations, the closing date is now 2nd November.</p>
Background	<p>The IRASC, which reported on 3rd February 2021, was set up to recommend improvements to adult social care in Scotland. It focussed on the outcomes for people who use services, their carers and families and the experience of those working in the sector in all settings.</p> <p>East Lothian IJB provided its response to the IRASC consultation (appendix 1) in November 2020.</p> <p>The IRASC looked at three elements of change, to <i>‘Shift the Paradigm’</i>; to <i>‘Strengthen the Foundations’</i>; and to <i>‘Redesign the System’</i>. Under the last of these - Redesign the System, the review suggested that to develop social care support and to ensure consistency of delivery across Scotland a ‘National Care Service’ needed established. Such a service would, the review said:</p> <p style="padding-left: 40px;"><i>“...drive national improvements where they are required, to ensure strategic integration with the National Health Service, to set national standards, terms and conditions, and to bring national oversight and accountability...”</i></p> <p>This National Care Service would aim to provide transformational leadership for all those involved in the planning and delivery of social care support and give a voice to those with lived experience. It would seek to establish across the sector:</p> <ul style="list-style-type: none"> • common purpose • trusting relationships rather than competition, and • partnerships, not marketplaces. <p>Some IRASC recommendations focus on IJBs. These are greatly expanded on in the NCS consultation and concern:</p> <ul style="list-style-type: none"> • delivering improvements in carer participation • reforming IJBs to give them new duties and powers (including for GP contracts) • providing direct funding from Scottish Government • working collaboratively with the National Care Service on various matters • taking on responsibility for planning, commissioning and procurement

¹ <https://www.gov.scot/publications/independent-review-adult-social-care-scotland>



	<ul style="list-style-type: none"> investing in preventative care and admission avoidance rather than crisis responses.
<p>Assessment</p>	<p>The NCS consultation document² sets out the Scottish Government’s ambitious developments of the core IRASC recommendations. These go beyond the creation of a National Care Service for adult social care alone. The proposals seek to establish the NCS as an organisation to set strategic direction and quality standards for community health and social care in Scotland across a wide range of domains, in partnership with Community Health and Social Care Boards (CHSCBs, as successors to IJBs) as their delivery body and with other organisations.</p> <p>CHSCBs will be funded directly by the Scottish Government and will be accountable to ministers. They will work with the NHS, local authorities and third and independent sectors to plan, commission and deliver local support and services to meet the assessed needs of communities.</p> <p>Membership of the CHSCBs will include local elected members, professionals, and local representatives, including people with lived experience of service use and carers. All members are likely to have voting powers.</p> <p>Each CHSCB will employ its own Chief Executive and staff to plan, commission, and procure care and support, including the management of GP contractual arrangements.</p> <p>The NCS consultation contains 96 questions across several domains of health and social care delivery. East Lothian IJB members were invited to provide comments, if they wished, on the consultation to inform a response from the IJB. The response was limited. This may be because of the length of the consultation questionnaire and the broad range and at times technical nature of the questions.</p> <p>Members were also encouraged to reply direct, in their own right to the consultation.</p> <p>To engage more actively with IJB members in reflecting on the NCS consultation, it is proposed that a development session be arranged to discuss potential implications for the future delivery of health and social care services in East Lothian and across the country. This session would aim to reach consensus where possible, or to agree a range of view for inclusion in the IJB’s consultation response.</p>
<p>Recommendations</p>	<p>East Lothian IJB is asked to:</p> <ul style="list-style-type: none"> Agree to a development session being arranged in late September/early October to provide IJB members with an opportunity to discuss the implications of the NCS consultation for health and social care services in East Lothian and more widely. Agree that the outputs of any development session should be used to prepare an East Lothian IJB response to the consultation on the establishment of a National Care Service.

² <https://www.gov.scot/publications/national-care-service-scotland-consultation/documents/>



Appendix 1

East Lothian IJB Response to the Review of Adult Social Care in Scotland

Background on East Lothian

East Lothian IJB welcomes the opportunity to comment on the Review of Adult Social Care. All members were consulted in the preparation of this response.

This exercise arrives at a critical time when across Scotland demand for social care is increasing as the result of social and demographic change, primarily the ageing of our population. People are increasingly living with multiple conditions with associated increased care needs. Some people have limited family and support networks. In East Lothian, the population is increasing (projected to increase by around 23% up to 2041) and ageing, with the highest growth in the 65-74 and 75+ age bands.

East Lothian Health and Social Care Partnership faces current and future increasing demands from this ageing and growing population. It faces further challenges in meeting the needs of a range of different communities, some urban, some more rural.

East Lothian Strategic Plan

The East Lothian IJB's Strategic Plan (2019-2022) includes a focus on transformation of care for older people to provide client-focussed care options, including provision of housing with care and a review of community services for adults with complex needs. The transformation programmes will consider the role of all colleagues, including social care, in developing future care and service options.

The IJB's strategic objectives, aim to "*...support all people in East Lothian to live the lives they want as well as possible, achieving their potential to live independently and exercising choice over the services they use.*" In support of this, the IJB has committed to:

- make health and social care services more sustainable and proportionate to need and to develop our communities
- explore new models of community provision which involve local communities and encourage less reliance on health and social care services
- improve prevention and early intervention
- reduce unscheduled care and delayed discharges
- provide care closer to home
- deliver services within an integrated care model
- enable people to have more choice and control
- reduce health inequalities
- build and support partnership working
- support change and improvement across our services.

Many of these objectives can only be delivered with the full co-operation of local partners (including in the third and independent sectors) as well as East Lothian Council, NHS Lothian, primary care and colleagues in acute services. Planning for service change involves these partners and the public and community, and other representatives. This will



continue as services adapt to current COVID-19 related restrictions and future requirements and to deliver the outcomes of the Review of Adult Social Care.

Impacts of COVID-19 on Service Outcomes and Integration

The arrival of COVID-19 has disrupted patient journeys and service delivery in health and care settings and is delaying access to secondary care treatment which might otherwise reduce care requirements for individuals. This places higher demands on the HSCP to provide care during the wait for treatment, while it is also increasing care to maintain its low delayed discharge numbers to take pressure off acute services. Added to this is the prospect of some patients requiring post-COVID rehabilitation which services had not planned for.

Colleagues across health and social care have risen to the challenge presented by COVID-19, showing a great deal of flexibility and inventiveness in how they have altered service delivery arrangements and in stepping up the use of IT and other technologies, to maintain support to patients and clients. Those staff remobilised to other services have quickly adapted to new demands. Through necessity, barriers between health and social care are being dismantled as teams work in a more integrated way, accelerating the wider adoption of ways of working that were in place before the arrival of COVID-19.

All staff have the gratitude of the IJB for their hard work in difficult circumstances and their innovative approaches to meeting patient and client needs while progressing integration.

The IJB is also grateful to the communities and the individuals who volunteered their support to local action.

The IJB supports local focussed work with East Lothian Council and NHS Lothian to further dismantle barriers to integration to deliver improved service outcomes for all. This work also needs to progress at national level through the development of supportive and ambitious policy to deliver integration within and across sectors.

Care Homes

At the beginning of the pandemic East Lothian was in the fortunate position of having an established nurse-led Care Home Team. This already provided Nurse Practitioner support to anticipatory care, long-term conditions support and to respond to acute illness presentations in residents in a number of independent care homes and HSCP managed care homes. The team also provided training to care home staff.

The team liaises with those GP colleagues covering each Care Home for medical advice as required. This has greatly reduced the need for GPs to attend Care Homes and has reduced emergency admissions.

During the COVID-19 first wave the team was extended and restructured to support all care homes within East Lothian. A Care Home Operational Group monitors care home occupancy, staffing, infection control and outbreak status and initiates action as required.



Care homes are increasingly using telephone rather than face-to-face assessment. This is reducing time delays to assessment and reducing delays to discharge, and ultimately occupied bed days.

Maintaining Social Care Capacity

In East Lothian access to social care, particularly care at home for all client groups, is monitored on a daily basis and action taken to direct resources to address issues.

National action is required to maintain and where required, increase capacity across social care. This requires work to make all roles in adult social care attractive in order to retain staff and to bring a new generation of workers into the sector. Any development of social care roles should include a move towards registration and professionalisation.

Discharge Planning

The IJB supports prevention and early intervention approaches to avoid admission. East Lothian has invested in Hospital to Home (H2H) Discharge to Assess (D2A) and other services to expand this approach.

Where admission cannot be prevented, coordinated discharge planning involving the MDT and patients and relatives is moving towards 'home first' approaches and implementation of nurse-led discharge. This contributes towards good delayed discharge performance.

Mental Health and Community Support

Colleagues are reporting increased presentations of mental health problems in the community. In response to this, new, primary care direct-access arrangements were quickly established.

Community Link Worker services are being remobilised to support people with a range of problems, including social isolation, which have been compounded by the pandemic.

Commentary on the Review

IJB Priority-Setting

IJBs need to be closely involved in decision making at NHS Board, regional and national levels. Each IJB must remain free to decide how it will prioritise meeting assessed needs of local communities while delivering to agreed national standards. Work with partners should seek to simplify processes to deliver service change and to improve outcomes for patients while increasing the efficient use of public funds in the delivery of services.



Integration across IT Systems

Although information technology has greatly assisted in continuing service delivery using new approaches through COVID, the continuation of separate IT systems by Health and Social Care is a limiting factor.

Current arrangements mean colleagues are either on one IT system and cannot communicate with the other system, or have to operate two systems simultaneously. This is particularly problematic when working from home. Partners should establish joint platforms for sharing of information and the joint datasets needed for service planning, activity and outcome monitoring. This will require technological solutions and Scottish Government support.

IT and telephony is providing new ways to assess, support and follow-up patients. For example, in East Lothian, a new direct access musculoskeletal (MSK) service provides video assessments and treatment plans without the need for an initial GP referral or attendance by patients at a clinic. This reduces demand on GPs and speeds up assessment and initiation of treatment. The approach has greatly reduced waiting times for patients.

The Scottish Government should support development of technological options for service delivery, taking into account the variability in knowledge and use of smartphone, tablet and computer devices across communities and age groups.

Acute Services

Although the IJB has delegated responsibility for some services managed and delivered in acute hospitals it has proven difficult to engage with these to plan service delivery focussed on needs of HSCP residents. Too often decisions are made for the total population served rather than considering what individual IJBs have prioritised.

Existing relationships between social care, community services and acute must be built on further through the review of adult social care to develop a whole system approach to identifying and acting on social care needs for patients and families.



REPORT TO: East Lothian Integration Joint Board

MEETING DATE: 16 September 2021

BY: Chief Officer

SUBJECT: Community Transformation Programme, Adults with Complex Needs Over 65

9

1 PURPOSE

- 1.1 To update IJB on progress of the Community Transformation programme for over 65's and seek approval for the recommendations set out below. These recommendations were agreed at the Strategic Planning Group meeting on 8 September 2021.

2 RECOMMENDATIONS

- 2.1 The Group is asked to:
- i. Note the background
 - ii. Note the risks and issues in commissioning Older People's Day Centres and approve the proposed approach set out in 3.4.2
 - iii. Approve the mitigating actions set out in 3.4.3
 - iv. Note the update on the Meeting Centre proposal and approve the further development of the Public Social Partnership approach set out in 3.5

3 BACKGROUND

- 3.1 In June 2021, the IJB agreed the proposed key principles underpinning future day services for older people from April 2022. These principles are:
- Commissioned to deliver local services that reflect the varying needs of the local communities
 - Flexibility of provision allowing for both centre and community based services which address fluctuating COVID-19 restrictions ('blended model')
 - Reduction in carer stress

- Preventative in nature reducing social isolation and loneliness
- Innovation in dementia care and support
- Effective governance arrangements based on genuine partnership and collaboration with providers and communities

3.2 In June 2021, IJB agreed that proposals should be brought forward to redistribute investment in high cost service arrangements (e.g. transport) from April 2022. Detailed discussions are underway with East Lothian Council fleet services, lunch clubs, one day centre and third sector partners to finalise this redesign.

3.3 In June 2021, IJB agreed that current building bases which are not fit for purpose and that require investment should be identified. Discussions have taken place with colleagues in East Lothian Council's Asset Review team and requirements will be incorporated into this review. Additional discussion and agreement is required regarding the lease arrangements.

3.4 In June 2021, IJB agreed that commissioning plans for a 4 year framework agreement for a blended model of older people's day services should be considered from April 2022 to 2026.

3.4.1 Discussions have taken place with Older Peoples Day Centres, their trustees and community groups about the potential for a four year framework as one potential option for commissioning, given the significant level of public funding (£1.1 million) and the need for transparency as to how these funds are allocated. Since IJB in June, additional new investment (£219, 260) as a result of Carers Act funding has been agreed for all centres to develop outreach support until 2023.

In considering using a longer term 4 year framework via Public Contracts Scotland, a number of risks and issues have been highlighted. These include:

- The lack of current capability of these small charitable organisations, run by volunteers, in preparing and taking responsibility for the tender documents and outcome
- The adverse impact on the continuity of care and support on a vulnerable client group if there were a change in provider
- The current crisis in care at home provision means there is no safety net should the provider be unsuccessful
- The outreach model, now funded by the Carers Act, was initially part of the service model requiring to be commissioned but is now in place until 2023 i.e. it no longer aligns with a proposed 4 year framework
- The impact of Covid and recovery: centres need more time to recover from Covid and are still working in a reactive way in terms of dealing with the impact of self-isolation, physical distancing and infection control regulations
- The uncertainty of the impact of the Scottish Government proposals for a 'National Care Service' and potential cessation of the ability to charge for social care which would have significant implications for day centres

3.4.2 Given these risks and issues it is recommended that the existing funding for older peoples centres is continued until 31 March 2023. This will allow time to address the concerns set out above with the aim of developing an integrated framework model for both centre and outreach services from April 2023.

Advice has been sought from colleagues in procurement and legal services on this recommendation. Whilst Legal and Procurement may have concerns about the approach outlined for financial years 2022/23, the issues are acknowledged, particularly in relation to capacity for delivery of social care services in East Lothian at the current time, and, subject to Head of Service and HSCP Commissioning Board sign off for this proposal, they propose a review of this position in April 2022.

3.4.3 Additional actions are recommended to mitigate any risks and address concerns of colleagues in procurement and legal services:

- Work with the Association of East Lothian Day Centres and Trustees of the individual centres to address the risks presented above and to develop a plan to build capacity, including mandatory training for Trustees, consideration of organisational structures and engagement with external partners including Partnership for Procurement (a public body who work with third sector organisation to build their capacity to better secure contracts or funding) and Volunteer Centre East Lothian.
- Implementing a light touch application process in which Centres set out how they will meet the requirements of the service specification, Care Inspectorate requirements, Health & Safety and GDPR compliance for the period to March 2023

3.5 In June 2021, IJB approved the development of proposals for a new (Dementia) Meeting Centre which will have a focus on Musselburgh with proposals for satellites. A number of work streams are being progressed as set out in table 1 below. In each the approach is to ensure that the work is community led and engagement with carers and people with dementia is central to the process. This part of the work has been commissioned from Outside the Box, a social enterprise with expertise in this field. The aim is to commence the first centre in April 2022.

Work stream	Summary of tasks	Timescale
Where	The focus is on working with community partners, people with dementia and their carers to identify locations. Progress is being made across all areas. Musselburgh will be the site of the first centre with satellites in Dunbar, North Berwick and Fa'side in the next phase, before developing Haddington and PSG areas.	December 2021

What	Developing and refining the service model to be used. Engagement with UK wide and Scottish networks and key partners, including Kirrie Connections, a demonstrator site for Meeting Centres.	December 2021
Who	Defining who will attend, developing referral pathways, ensuring engagement with key stakeholder including carers, third sector, community mental health teams and primary care colleagues. Data collection and gathering as well as drawing on feedback from people with dementia.	November 2021
How	Building on both the community engagement and commitment of third sector partners to work collaboratively, develop an outline Memorandum of Understanding for a Public Social Partnership to implement meeting centres initially for a 3 year period. Work with procurement and legal colleagues, the Improvement Hub from Healthcare Improvement Scotland and SENScot (Social Enterprise Network Scotland) in developing this. Finalise the funding model and submit a bid to the Life Changes Trust to be a Local Legacy Partner.	Mid October 2021

Table 1 meeting centre work stream update

4 POLICY IMPLICATIONS

4.1 Key policy areas that will have an impact on this programme of work include:

- Updating the eligibility policy taking into consideration the proposal for a National Care Service and any implications for charging.
- Development of an updated dementia strategy

5 INTEGRATED IMPACT ASSESSMENT

5.1. An initial Integrated Impact Assessment was carried out. There is requirement for the Transformation Programme to undertake a further Integrated Impact Assessment, which will consider the issues raised at the development session and in the planned consultation events. Recent training has increased capacity for this to be carried out internally, with the support of Healthcare Improvement Scotland.

6 DIRECTIONS

6.1. The relevant Directions for this programme of work are:

- D18f Day Services Review (Older People)
- D18g Adults with Complex Needs Review

7 RESOURCE IMPLICATIONS

7.1 The total expenditure on Older People's day services is **£1,289,430** (£1,070,170 from voluntary organisation funds and £219, 620 from Carers Act funding). There is an uncommitted £67,525 which can be used to fund the Meeting Centre proposals.

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DATE	8 September 2021

