



## MINUTES OF THE MEETING OF THE EAST LoTHIAN INTEGRATION JOINT BOARD

THURSDAY 24 FEBRUARY 2022  
VIA DIGITAL MEETINGS SYSTEM

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### **Voting Members Present:**

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

### **Non-voting Members Present:**

Ms M Allan	Mr D King
Ms L Cowan	Ms A MacDonald
Dr C Mackintosh	Ms M McNeill
Ms J Tait	

### **Officers Present from NHS Lothian/East Lothian Council:**

Mr P Currie	Ms C Goodwin
Mr M Kennedy	Ms L Kerr
Ms J Ogden-Smith	

### **Clerk:**

Ms F Currie

### **Apologies:**

Dr P Donald  
Dr J Turvill

### **Declarations of Interest:**

None

## **1. MINUTES OF THE MEETING OF THE EAST LoTHIAN IJB ON 13 DECEMBER 2021 (FOR APPROVAL)**

The minutes of the meeting on 13<sup>th</sup> December 2021 were approved.

## **2. MATTERS ARISING FROM THE MINUTES OF 13 DECEMBER**

The following matters were raised:

**Item 3** – Councillor Shamin Akhtar requested an update on progress the new vaccination roll-out and also the situation at Edington Hospital.

**Item 8** – Councillor Fiona O'Donnell asked if there had been any changes to the timeline for actions by the Community Hospitals and Care Homes Provision Change Board.

Alison MacDonald reported that the opening of the new vaccination centre at the Corn Exchange in Haddington had been very successful and had helped to increase capacity to deliver the vaccination programme. They would shortly be starting to vaccinate 5 – 11year olds and pop-up clinics were being set up across the county in an effort to reach as many people as possible.

On Edington Hospital, Ms MacDonald explained that IJB members would be updated shortly, after information had been provided to community groups.

She said she was not aware of any significant changes to the timeline of actions for the Community Hospitals and Care Homes Provision Change Board and it was still the Board's intention to report back to the IJB in the autumn.

## **3. CHAIR'S REPORT**

The Chair provided a further update on the National Care Service (NCS) stakeholder group and advised that he had been appointed to a chairs/vice chairs short life working group to consider responses to the consultation on the NCS. It was his understanding that this work would help to inform the legislative framework for the NCS.

In response to questions, he provided information on potential proposals for further working groups and indicated that the intention remained to publish the framework in June.

Ms MacDonald provided a brief update to members on the pressures facing the care sector. She said that there had been some improvement in the position reported before Christmas and that both care homes and care at home providers were in a much more stable position.

The Chair put on record his and the IJB's ongoing thanks to all staff within the Health & Social Care Partnership and particularly the vaccination team.

Ms MacDonald also indicated that following a recent meeting of the Strategic Planning Group it was proposed to update IJB members on the inclusivity plan and this would take the format of a report or development session. The Chair welcomed this proposal.

#### **4. MEMBERSHIP OF EAST LoTHIAN IJB**

The Chief Officer had submitted a report seeking the IJB's approval for the appointment of a new non-voting member.

The Clerk presented the report outlining the background and inviting members to approve the new appointment.

In response to a question from Richard Williams, Ms MacDonald explained the rationale for this new appointment highlighting the challenges posed by substance misuse across the county and recent discussions between Dr Jon Turvill and Dr Hale on how the IJB might expand its scope and benefit from her expertise.

Dr Williams emphasised that he did not object to this new appointment but had wanted to understand why it was being made to the IJB rather than one of its planning groups.

Councillor Akhtar, Judith Tait and Claire Mackintosh all welcomed the appointment referring to the wide-ranging national and local impacts of substance misuse and the benefits of having Dr Hale in a strategic role.

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

#### **Decision**

The IJB approved the appointment of Dr Wendy Hale as a non-voting member, specialising in substance abuse, for the maximum term of office of 3 years.

#### **5. IJB AND AUDIT & RISK COMMITTEE MEETING DATES 2022/23**

The Chief Officer had submitted a report inviting the IJB to set the dates of IJB business meetings and development sessions, and meeting dates for the Audit & Risk Committee during session 2022/23.

The Clerk presented the report summarising the background and drawing members' attention to the proposed meeting dates for 2022/23. There were no questions from members.

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

#### **Decision**

The IJB agreed to:

- i. approve the dates for IJB business meetings during session 2022/23;
- ii. approve the dates for IJB development sessions during session 2022/23;
- iii. approve the dates for the Audit & Risk Committee meetings during session 2022/23; and
- iv. approve a change to the date of the Audit & Risk Committee meeting in June 2022.

## **6. FINANCIAL UPDATE – PROJECTED 2021/22 OUT-TURN AND OUTLINE 2022/23 POSITION**

The Interim Chief Finance Officer had submitted a report updating the IJB as to the updated projected out-turn position for 2021/22 and providing an initial outline of the financial position for 2022/23.

David King presented the report as a follow up to the development session on the IJB finances which took place in January. He forecast an underspend at the end of 2021/22 and he confirmed that any monies left unspent would be added to the IJBs reserves – both earmarked and general. He then outlined some of the detail of the Scottish Government's financial settlement for health boards and local authorities and the likely implications for the IJB and areas of particular financial pressures within both health and social care. He advised that the Scottish Government had made a commitment to cover COVID costs in 2022/23 but that a further conversation was required on how to balance budgets in 2023/24 and beyond.

Mr King and Ms MacDonald responded to questions from members on seeking further clarification of COVID costs and how any additional funding would be reflected in the budget offers from the IJB's partners; on the challenges of recruiting additional staff for social care and how changes already made to services through shifting the balance of care had put East Lothian in a better position in relation to workforce planning.

Replying to further questions, Mr King said he fully expected a significant underspend in the current financial year and that some additional funding already announced would be carried forward to assist with the overall position in 2022/23. However, the real issue was to understand how much of that funding was non-recurring and the implications this would have for achieving a balanced budget from 2023/24 onwards. He suggested that the IJB consider using the non-recurring funding to drive through transformational change over the next 2 years.

On the issue of multi-year financial planning he accepted that while both the Scottish Government and NHS Lothian continued to deliver 1 year budgets, the ability of the IJB to develop a multi-year financial plan was limited.

### **Decision**

The IJB agreed:

- i. Note the projected out-turn position for 2021/22;
- ii. Note the projected impact on the IJB's reserves;
- iii. Note the Scottish Government's 22/23 financial settlement; and
- iv. Note the projected financial forecast for 2022/23.

## **7. REVIEW OF 2020-21 IJB DIRECTIONS**

The Chief Officer had submitted a report presenting a set of recommendations to the IJB for updates to its Directions for 2020-21. The report also outlined proposals to revisit the approach taken to issuing, monitoring and reviewing directions.

Claire Goodwin presented the report outlining the background to the review of Directions and their role in the delivery of the IJB's Strategic Plan. She explained that Members were being asked to approve the retention, revision or retirement of individual as recommended by the Change Boards. She also advised that a further review of Directions would take place as part of the development of the new Strategic Plan, due by October 2022, and that work was underway to update the IJB's policy on Directions.

The Chair took the members through the list of individual Directions inviting questions or comments on each. Officers responded to questions on particular Directions and Ms MacDonald acknowledged comments around the need for SMART objectives, appropriate levels of project planning and engagement with the Change Boards on the further review and development of Directions to support the new Strategic Plan.

The Chair asked if it would be possible to alter the wording in the review document to replace 'retire' with 'complete' where it was appropriate to do so. Ms Goodwin agreed to implement this change.

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

### **Decision**

The IJB agreed to:

- i. Approve the retention, revision or retirement of individual directions as recommended in the report, noting that once finalised and communicated to partners, progress measures will be identified for each direction agreed;
- ii. Note that a further report, providing updated details of the financial resources associated with the delivery of each direction, will be brought to a subsequent meeting of the IJB for approval once budgets are set for 2022-23;
- iii. Note that a comprehensive review of directions will take place as part of the development of the new IJB Strategic Plan, due by October 2022, with the revision of existing directions and the introduction of additional directions as required to deliver the strategic priorities outlined in the Plan; and
- iv. Note the work planned to revisit and update the current East Lothian IJB Policy on Directions and to develop guidance and support to assist with the consistent application of the Policy.

## **8. EAST LOTHIAN IJB STRATEGIC PLAN 2022-2025**

The Chief Officer had presented a SBAR updating the IJB on progress with the development of its Strategic Plan for 2022-2025.

Paul Currie presented the report reminding members that a new Strategic Plan needed to be in place by October 2022 and would be effective until April 2025. He advised that the planning and engagement process had now commenced and that a development session would take place on 14<sup>th</sup> March. Following this, a draft plan would be prepared and subject to a wider consultation via a programme of online, face-to-face and public events. He would provide further updates to IJB members and he encouraged them to participate in the consultations.

The Chair also urged as many IJB members as possible to attend the development session as a way of ensuring that that the process did not miss anything that connected the work of the IJB to that going on within NHS Lothian.

The members discussed the importance of varying the timings of consultation events; publishing relevant information on the Consultation Hub; the possibility of linking up with other consultations on similar issues to avoid responders having to duplicate effort; and ensuring that the consultation reflected recent changes to services and sought the views of those who had experienced these changes or who were known to be accessing services more often than previously. Members agreed that the consultation should not just target the same people but should seek to broaden its contacts in communities. The suggestion of including representatives of Area Partnerships' Health & Wellbeing Groups was welcomed, as was provision of a 'user-friendly' version of the consultation. Members also supported the idea of 'you said; we did' sections within the Strategic Plan to evidence where proposals have come directly from consultation responses/discussions.

### **Decision**

The IJB agreed to:

- i. Note the plans for initial consultation with HSCP Officer and IJB and SPG members to inform the development of priorities for inclusion in the draft Strategic Plan;
- ii. Note the intention to launch a consultation and engagement programme to seek community and other views on the draft Strategic Plan;
- iii. Agree to receive updates on the Plan's progress and the outcomes of associated consultation and engagement work; and
- iv. Agree to receive the final Plan for approval in September 2022.

## **9. REVIEW OF THE INTEGRATION SCHEME**

The Chief Officer had presented a SBAR providing an update on progress with the review of the Integration Scheme for East Lothian IJB.

Mr Currie presented the report reminding members of the background to the review, the process and delays. He advised that the review would usually have 3 stages but that due to the limited nature of the revisions required to the Scheme it has been agreed that only stages 2 and 3 would be followed. He provided further detail of these stages and confirmed the consultation would commence on 1<sup>st</sup> March, or very soon thereafter, and run for 4 weeks.

Mr Currie responded to a question from the Chair confirming that no fundamental changes were being proposed to the duties of the IJB but rather that the Integration Scheme was being updated to reflect changes to legislation and the IJB's progress since its inception in 2015. He also confirmed that while the Schemes for each of the 4 Lothian IJBs varied somewhat, there were no fundamental differences between them.

### **Decision**

The IJB agreed to:

- i. Note the progress to date in producing a revised Integration Scheme for East Lothian IJB;

- ii. Note the intention to bring the revised Scheme to the attention of a comprehensive list of consultees (as set out in the Scheme) as well as publishing it on the East Lothian Council online 'Consultation Hub' for wider comment; and
- iii. Note the opportunity for individual IJB members to respond to the consultation on the Scheme through the Consultation Hub.

The Chair wished to place on record his sincere thanks to all the Councillors involved in the IJB. He said he would make more detailed comments at the IJB meeting in March but wished to formally record his thanks to his Councillor colleagues, and particularly those who may not be present at the next IJB meeting; the last before the local government elections in May.

Signed

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Mr Peter Murray  
Chair of the East Lothian Integration Joint Board

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**REPORT TO:** East Lothian Integration Joint Board  
**MEETING DATE:** 24 March 2022  
**BY:** Chief Officer  
**SUBJECT:** Membership of the East Lothian Integration Joint Board

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## 1 PURPOSE

- 1.1 To inform the Integration Joint Board (IJB) of the renewal of the term of office for Peter Murray and to seek agreement of the transitional arrangements for the approval of minutes.

## 2 RECOMMENDATIONS

- 2.1 The IJB is asked to:
- i. Note the renewal of the term of office for Peter Murray, as a voting member of the IJB appointed by NHS Lothian; and
  - ii. Agree that the minutes of the most recent meetings, which could not be approved by the IJB or the Audit and Risk Committee before the change in voting membership, be submitted to the current Chairs for verification and signing.

## 3 BACKGROUND

- 3.1 Voting members of the IJB are appointed by the relevant local authority or NHS Board, in line with legislation. At its meeting on 9 February 2022, NHS Lothian Board formally agreed to the renewal of Mr Murray's term of office as a voting member of the IJB. His new term of office will take effect from the end of his current term in April 2022 until 31 January 2024.
- 3.2 There will be changes to the East Lothian Council voting membership on both the IJB and the Audit and Risk Committee following the local government elections on 5 May 2022. A further report on changes to the membership will be presented to the IJB's next meeting.
- 3.3 In accordance with Rule 11.2 of the IJB's Standing Orders and the associated Scheme of Administration, the IJB or its Committees receive and review their minutes for agreement at the following

meeting. The minutes are then signed by the Chair who presided at the meeting. It is proposed that the minutes of the most recent meetings, which could not be approved by the IJB or the Committee before the change in membership, be submitted to the current Chair for verification and signing, and that these minutes will be accepted as a true and accurate record. The minutes will thereafter be published on the Council's website.

#### **4 ENGAGEMENT**

- 4.1 The issues in this report have been discussed with the appropriate appointing body.

#### **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).
- 9.2 Standing Orders – East Lothian Integration Joint Board (March 2020)

<b>AUTHOR'S NAME</b>	Fiona Currie
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<b>DATE</b>	15 March 2022





**REPORT TO:** East Lothian Integration Joint Board  
**MEETING DATE:** 24 March 2022  
**BY:** Interim Chief Finance Officer  
**SUBJECT:** 2022/23 Budget Setting

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## 1 PURPOSE

- 1.1 This report lays out the budget offers for 2022/23 from the IJB's partners (East Lothian Council and NHS Lothian) and considers if these meet both the Scottish Government's and the IJB's own criteria for acceptance. The report, utilising the information provided from the partners then considers the outline financial position for the IJB for 2022/23 and, given that this indicative position is balanced, asks the IJB to agree to set its 2022/23 budget.

## 2 RECOMMENDATIONS

- 2.1 The IJB is asked to:
- i. Agree that the budget offer from East Lothian Council meets the Scottish Government criteria;
  - ii. Agree that the budget offer from NHS Lothian meets the Scottish Government criteria;
  - iii. Note the projected movement in the IJB's Reserves;
  - iv. Note the projected financial position for 2022/23; and
  - v. Agree that the 2022/23 budget proposal is, at this time, balanced and therefore agree to set the IJB's indicative 22/23 budget.

## 3 BACKGROUND

### Background and Process

- 3.1 The IJB is required to set a balanced budget before the start of the financial year as laid out in the local authority regulations that govern the IJB. East Lothian Council have set a budget but NHS Lothian will not formally set a budget until its April Board meeting. NHS Lothian is required to break-even at the end of the financial year and therefore its April paper generally does not show a balanced position but shows a potential overspend position

and therefore reflects the financial challenge that requires to be managed in year.

- 3.2 Both partners are required to make formal budget offers to the IJB prior to the start of the financial year and both have, although NHS Lothian's offer is indicative in that it has not yet been formally agreed and there will be further allocations made to the Board (which will then become part of the IJB's budget, for example the GMS uplift) in year.
- 3.3 The IJB's practice is to subject the partners' budget offers to 3 tests:-
- Does the offer meet the guidelines laid down by the Scottish Government as part of its budget setting process?
  - Is the offer 'fair' – that is a fair and reasonable amount given the overall resources available to the partner?
  - Is the offer 'adequate' – that is will this offer allow the IJB to set a balanced budget?
- 3.4 As part of the 22/23 budget setting process, the IJB had a finance workshop in January (at which the partners' CFOs reflected on the impact of the Scottish Government's settlement on their respective organisations) and a paper was presented to the IJB in February providing further financial analysis and further detail.
- 3.5 The final part of the process is for the IJB to consider the partners budget offers as above and then, having considered the projected financial position in 2022/23 to set (if possible) a balanced budget.

### **Budget Offers from the Partners**

- 3.6 The budget offer letter from NHS Lothian is attached to this report. The budget offer letter from East Lothian Council will follow shortly. Both offers are assessed below:

#### **East Lothian Council**

- 3.6.1 The Scottish Government's guidelines for Councils are that the budget offer should be at least the base recurring budget plus the appropriate share of the additional allocations made available for social care in the 22/23 budget settlement. East Lothian council has met those guidelines. It's clear both from examining the Scottish Government's 22/23 budget and the briefing given to the IJB by the Council's CFO that the 22/23 settlement for Local Authorities was very challenging. On that basis, the offer can certainly be seen as fair.
- 3.6.2 In terms of adequacy, it seems that the base position (that is before any further 21/22 allocations), although underpinned by a considerable amount of support for Covid pressures will be overspent. Without additional resources in 22/23 from the budget settlement this base budget would

probably not be sustainable but the additional funding from the 22/23 settlement should resolve any underlying pressures. The East Lothian Council offer meets the IJB acceptance criteria. It should be noted that East Lothian has revised its 21/22 budget to take into account the additional winter funds allocated by the Scottish Government in November 2021 – this was discussed in detail in the paper presented to the IJB in December 2021. Elements of the Winter funding are effectively recurrent and this has the effect of splitting the shares of the £554m over 2021/22 and 2022/23. This is laid out in Appendix 1

### **NHS Lothian**

- 3.6.3 The Scottish Government's guidelines for Health Boards are that the offer should be at least the recurrent baseline plus a 2% uplift on that baseline plus cover for the increased costs of the employers NI contributions that will come into force after April.
- 3.6.4 The offer meets that criteria. It should be remembered that the baseline on which the 2% is calculated is less than the operational baseline which contains elements of funding which are not uplifted through the baseline. That is why multiplying the apparent baseline by 2% produces a slightly different value. Given previous discussions the offer can be seen as a fair share of the resources available to the Health Board. The issue of adequacy is slightly more challenging given that the projection shows an overspend position for the IJB. However, and this is discussed further below, actions are in train to manage this position and the NHS Lothian offer meets the IJB's acceptance criteria.

### **Reserves**

- 3.7 The finance paper presented to the IJB at its February meeting noted that there would be an underspend position for the IJB at the close of 21/22. The detailed position won't finally be known until the end of April when the partners declare an out-turn 21/22 position, but NHS Lothian is forecasting an underspend and the impact of the additional Winter funding received by the IJB in November (this was reported to the IJB at its December '21 meeting) will generate a significant carry forward. This will mean that, excluding Covid, the IJB's reserves will increase significantly (perhaps by c. £2.0m) although much of that will be earmarked funds.
- 3.8 As was discussed in the February Finance paper, there has been a significant financial pressure caused by the impact of the Covid pandemic and that has been underpinned by additional funds from the Scottish Government. That pressure will continue into 22/23. The Scottish Government has made a further allocation (letter of 25<sup>th</sup> February 2022 – attached) to Health Boards and Integration Joint Boards to cover the costs of Covid in 21/22 with the clear assumption that an element of these funds will be carried forward into 22/23 to cover the costs of Covid in that financial year. Work is currently underway to finalise the value of the amount to be

carried forward but it is expected to provide cover for the majority of the currently projected 22/23 Covid costs.

- 3.9 In summary, the value of the IJB's reserves (both general and earmarked) will be greater at the end of 21/22 than they were at the end of 20/21. Clearly this allows the IJB a considerable level of comfort when setting its 22/23 budget, however there are two key points:
1. That funding from reserves is non-recurrent and therefore if non-recurrent funding is being used to support recurrent expenditure then further plans need to be developed to support the 23/24 position. This work is already underway and is discussed further below,
  2. That the IJB's general reserve is now adequate to meet the target in its reserves policy and it is proposed that elements of these funds should be used to drive forward transformational work to support the delivery of the strategic plan. That has already happened with the appointment of the performance team but further developments could be considered.

### **Financial Projection for 22/23.**

- 3.10 This was discussed in detail in the February paper and the projections have not materially changed. In summary the key elements are:-

**Core health and Social Care budgets** – these are the local health budgets and the social care budgets managed by the HSCP. A detailed exercise has been undertaken by the HSCP management team and its finance support to examine the pressures in their budgets and the ambitions to invest elements of the new funding to develop improved services. This exercise has now resulted in balanced position for 22/23 albeit with an element of non-recurrent support (earmarked funds for Care at Home and Interim Care being brought forward from 21/22 as described above). Once this exercise is finalised – having agreed the 21/22 out-turn position – further work will consider the 23/24 position.

**Set Aside and Hosted** – the February paper indicated a net (net of Covid funding) pressure of c. £1.2m of which c. £983,000 was Set Aside. Management of pressures in the hosted services will be supported by the HSCP management team but the key concern at this time is the projected pressures within the Set Aside budget. Work has started with Acute colleagues to understand these issues more fully and for the IJB, if possible, to support the delivery of recovery plans. NHS Lothian has an excellent record of achieving financial balance and further assurance will be sought as to the management of this pressure.

**Covid** – the above is all predicated on the assumption that the continuing financial pressures generated by the Covid pandemic can be supported. As was discussed above, much of this will be delivered through the carry forward of the unused 21/22 Covid funding and the Scottish Government is clear that its ambition is to support all health and social care Covid pressures in 22/23 if this is achievable. The planning assumption at this



time is that the Covid pressures will be covered in 22/23 but, as has been stated before, the management teams must now develop exit strategies for these Covid generated costs because funds will not be available in 23/24.

### **Setting a balanced budget**

- 3.11 Based on the information available at this time, the IJB is able to set a balanced budget for 22/23 albeit with financial risks around its Set Aside budget and financial pressures generated by the continuing Covid pandemic.
- 3.12 It is proposed, therefore, that the IJB accepts the budget offers from the partners and sets a balanced budget in 22/23 based on these assumptions.

This budget being:-

East Lothian Integration Joint Board

Indicative Budget - 2022/23

	East Lothian Council	NHS Lothian	Total
	£000's	£000's	£000's
Base Budget	59,159	109,408	168,567
Uplifts & Add'n			
Allocations	8,629	1,817	10,446
<b>22/23 Budget</b>	<b>67,788</b>	<b>111,225</b>	<b>179,013</b>

### **Next Steps**

- 3.17 Having set a budget for 22/23, the IJB can move forward and incorporate the appropriate budgets into its 22/23 directions. Work will continue with the HSCP management team and other colleagues to refine the operational budgets and further reports will come back to the IJB during the financial year as to the performance of the partners against its budget and an analysis of those elements that are being funded non-recurrently. Further work is also underway to sketch out the financial position for 23/24 and this will be part of the further development of the IJB's financial plan.

## **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 IJB February 2022 Finance Paper

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<b>DATE</b>	17 March 2022

## **Appendices**

- 1. Analysis of movements in the social care budget – 21/22 to 22/23**
- 2. Budget offer & reply to NHS Lothian**
- 3. Budget offer and reply to East Lothian Council (to follow)**
- 4. Letter of 25/2/22 – Further Covid Funding**



Indicative Budget - 2022/23

Analysis of Social Care Budget budget movements

	Non Recurrent £000's	Recurrent £000's	Total £000's
<b>Base Budget 2021/22</b>		<b>57,231</b>	<b>57,231</b>
Winter Funding 202/22			
Care at Home		1,188	1,188
Interim Care	767		767
Provider's Uplift (RLW)		740	740
<b>Closing budget 2021/22</b>	<b>767</b>	<b>59,159</b>	<b>59,926</b>
Closing Recurrent Budget			59,159
Share of 22/23 Settlement			
Carers Act		390	390
Real Living Wage		2,073	2,073
Care at Home Winter Planning		1,202	1,202
FPNC		313	313
Social Care Sustainability		3,841	3,841
Interim Care (non recurring)	386		386
Add'n Social Work Capacity in Adult Services		424	424
<b>Total from 22/23 settlement</b>	<b>386</b>	<b>8,243</b>	<b>8,629</b>
<b>Opening 2022/23 Budget</b>			<b>67,788</b>

	2022/23 National Allocation	2022/23 ELC Allocation	2021/22 £000's	2022/23 £000's	Total £000's
	£m	£000's			
Carers Act	20.400	390		390	390
Real Living Wage	174.500	3,395	1,322	2,073	3,395 **
Care at Home Winter Planning	124.000	2,390	1,188	1,202	2,390
FPNC	15.000	313		313	313
Social Care Sustainability	200.000	3,841		3,841	3,841
Interim Care (non recurring)	20.000	386		386	386
Add'n Social Work Capacity in Adult Services	<b>553.900</b>	<b>10,715</b>	2,510	8,205	10,715

\*\* includes £582k in 21/22 non-recurrently



Finance Director's Office  
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2-4 Waterloo Place  
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Telephone 0131 536 9000

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By Email Only

Letter to Chief Officer & Chief Finance  
Officer of East Lothian IJB

Date 17 March 2022  
Your Ref  
Our Ref

Enquiries to Craig Marriott  
Extension 35543  
Direct Line 0131 465 5543  
Email Craig.Marriott@nhsllothian.scot.nhs.uk

Dear Colleagues,

### EAST LOTHIAN IJB – INDICATIVE UPLIFT FOR 2022/23

Further to NHS Lothian's Finance and Resources (F&R) Committee on January 17<sup>th</sup>, I write to update you on the position relating to uplift to be allocated to East Lothian IJB by NHS Lothian in 2022/23.

We have yet to conclude our financial planning process, and we will look to take a final iteration of the Plan through our F&R Committee on the 21<sup>st</sup> of March, with final sign off at our Board meeting on the 6<sup>th</sup> April. The figures shared with you at this stage are therefore indicative until the final Plan has been agreed, and the final SG uplift settlement has been confirmed after the pay uplift for 22/23 is resolved.

In total, and based on the indicative allocation communicated to Boards on the 9<sup>th</sup> of December from the Scottish Government, NHS Lothian will receive an uplift allocation of 2% against baseline for 2022/23, equating to £31.9m. As agreed and per previous years, we will pass through the full share of this settlement to each IJB, based on budget shares.

The Plan shared at the January Committee recognised a budget of £109,408k for East Lothian IJB. Net of GMS (which will receive a separate uplift allocation) the total recurring budget equates to £96,577k, although this still includes elements of budget beyond the baseline.

The total proportionate share of the £31.9m to be passed through to East Lothian IJB has been calculated at £1,817k. We have assumed that each IJB will continue to prioritise funding of pay awards. At this stage, the Plan for East Lothian IJB shows the following share of resource requirements (see Appendix for further detail):

Pay Uplift	£1,191k
Balance of Uplift	<u>£ 626k</u>
Total Uplift	£1,817k

Headquarters  
Waverley Gate  
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Edinburgh EH1 3EG

Chair Brian G. Houston  
Chief Executive Tim Davison

Lothian NHS Board is the common  
name of Lothian Health Board



In addition to this allocation, the SG has provided a further allocation to meet the additional costs of employer national insurance. Our intention is to ensure all parts of the NHS system will be fully funded to meet increases in actual costs. We will keep you updated in this regard.

The final review of the NHS Lothian Financial Plan will conclude shortly, and further updates will be incorporated in the final iteration in terms of any agreed changes to the IJB mapping table for 2022/23 (where these are agreed with CFOs), additional savings and efficiencies identified and any further additional resources allocated. A further update on 2022/23 budgets will be provided to you at this time. We would also reiterate that the pay award for 22/23 has yet to be finalised, and there may yet be additional funding due to Boards (and IJBs) as a result of any additional resource released to accommodate any pay agreement. We will of course keep you updated with developments.

Given that our financial planning indicates that the level of uplift is insufficient to meet all cost pressures in the system, I am keen to understand from East Lothian IJB as early as possible how its Directions will shape the delivery of efficiency savings in 2022/23 and the application of resources in support of financial balance.

I would be happy to have further discussion with your IJB in advance of the final confirmation on the application of health resources in 2022/23.

Yours sincerely

A handwritten signature in black ink, appearing to read 'C. Marriott', with a stylized flourish at the end.

CRAIG MARRIOTT  
Deputy Director of Finance



	East Lothian IJB
	£k
<b>Full Year Recurring Expenditure Budget</b>	<b>109,408</b>
<b>Baseline Pressures</b>	<b>(534)</b>
Projected Expenditure Uplifts & Commitments	(1,396)
Growth and Other Commitments	(1,797)
Policy Decisions	0
Strategic Investments	0
Essential Service Development	(19)
Unscheduled Care	(15)
<b>Projected Expenditure Uplifts &amp; Commitments</b>	<b>(3,226)</b>
<i>Percentage of Recurring Budget</i>	<i>(2.9%)</i>
<b>Projected Costs</b>	<b>(3,760)</b>
<b>Recurring Resources</b>	
Base Uplift	1,191
National Insurance (HSC Levy)	
NRAC	
OHB Income	
<b>Non Recurring Resources</b>	
VPAS	60
Reserves	
Asset Disposal	
Flexibility	
<b>Additional Resources</b>	<b>1,251</b>
<b>Financial Outlook Gap before FRP's</b>	<b>(2,509)</b>
<b>Financial Recovery Plans</b>	<b>637</b>
<b>Financial Outlook Gap after FRP's</b>	<b>(1,872)</b>
<i>Percentage of Recurring Budget</i>	<i>(1.7%)</i>
<b>Additional Covid Costs</b>	<b>(7,618)</b>
<b>Total Financial Outlook Gap</b>	<b>(9,490)</b>
Balance of Uplift	626
<b>Final estimated outturn - 22/23</b>	<b>(8,864)</b>

Update - 21/10/21

APPENDIX 3 - 2021/22 DRAFT FINANCIAL PLAN SUMMARY BY INTEGRATED JOINT BOARDS

	East Lothian IJB
	£k
<b>Full Year Recurring Expenditure Budget</b>	<b>109,289</b>
<b>Baseline Pressures</b>	<b>(1,517)</b>
Projected Expenditure Uplifts & Commitments	(1,270)
Growth and Other Commitments	(1,292)
Policy Decisions	
Strategic Investments	
Essential Service Development	(19)
Unscheduled Care	(15)
<b>Projected Expenditure Uplifts &amp; Commitments</b>	<b>(2,596)</b>
<i>Percentage of Recurring Budget</i>	<i>(2.4%)</i>
<b>Projected Costs</b>	<b>(4,112)</b>
<b>Recurring Resources</b>	
Base Uplift	1,066
OHB Income	
<b>Non Recurring Resources</b>	
VPAS	60
Reserves	
Flexibility	
<b>Additional Resources</b>	<b>1,126</b>
<b>Financial Outlook Gap before FRP's</b>	<b>(2,987)</b>
<b>Financial Recovery Plans</b>	<b>120</b>
<b>Financial Outlook Gap after FRP's</b>	<b>(2,867)</b>
<i>Percentage of Recurring Budget</i>	<i>(2.6%)</i>
<b>Additional Covid Costs</b>	
<b>Total Financial Outlook Gap</b>	<b>(2,867)</b>



Craig Marriott  
Deputy Director of Finance  
Lothian NHS Board  
Waverley Gate  
2-4 Waterloo Place  
Edinburgh  
EH1 3EG

## By Email

15<sup>th</sup> March 2022

Dear Craig,

### **NHS Lothian – Indicative 22/23 Budget Offer to East Lothian IJB**

Thank you for your letter of 25<sup>th</sup> February 2022 laying out the indicative 22/23 budget offer for the IJB.

I agree that NHS Lothian's indicative offer meets the criteria set down by the Scottish Government in its 22/23 budget settlement. That is a 2% uplift on the recurrent baseline (and I appreciate the issues around the Board's recurrent baseline and the recurrent budget) along with cover for the costs of the employers National Insurance increase which will come into effect in April 2022.

I note your other comments and the IJB remains committed to delivering its strategic plan within the financial resources available and, as part of its transformational work, will seek to reduce financial pressures on its partners as appropriate.

The IJB will meet on 24<sup>th</sup> March to set its budget for 22/23 and I will let you know thereafter the outcome from that meeting.

Yours sincerely,

David King  
Interim Chief Finance Officer  
East Lothian IJB

cc. Alison MacDonald, Chief Officer, East Lothian IJB





T: 0131-244 3475  
E: [richard.mccallum@gov.scot](mailto:richard.mccallum@gov.scot)

## Appendix 4

HSCP Chief Finance Officers  
NHS Board Directors of Finance  
Cc:  
HSCP Chief Officers  
Local Government Directors of Finance  
NHS Chief Executives

via email

25<sup>th</sup> February 2022

Colleagues

### Further Covid funding 2021-22

Following the recent submission of your Quarter 3 financial returns, I am writing to confirm further funding of £981 million for NHS Boards and Integration Authorities to meet Covid-19 costs and to support the continuing impact of the pandemic. This funding is being provided on a non-repayable basis and includes provision for under-delivery of savings. While I anticipate that funding will be allocated in line with **Annexes A and B**, it will be a matter for NHS Boards and Integration Authorities to agree any revisions where appropriate to take account of local circumstances.

Within the overall funding outlined above, £619 million is being provided for Integration Authorities, which includes funding for a range of Covid-19 measures. The significant disruption to services has created a backlog of demand as well as increasing unmet need and frailty of service users. Investment is needed across day care services, care at home and to support unscheduled care, to keep people within the community, where possible and safe to do so, to avoid unplanned admissions and impacts on delayed discharges. Alongside this is the impact on mental health and services have been stepped up through, for example, Mental Health Assessment Units. This funding will also cover sustainability payments to social care providers and additional staff costs across Health & Social Care.

Where funding remains at year end 2021-22, this must be carried in an earmarked reserve for Covid-19 purposes in line with usual accounting arrangements for Integration Authorities, and I expect that this funding to be used before further allocations are made through the Local Mobilisation Planning process. This can be used to support continuation of costs which were funded in 2021-22 as a direct result of Covid-19. Use of these allocations to meet Covid-19 expenditure should be agreed by the IJB Chief Finance Officer and the NHS Board Director of Finance. The funding should be targeted at meeting all additional costs of responding to the Covid pandemic in the Integration Authority as well as the NHS Board.

/cont'd



Any proposed utilisation of the earmarked reserves to meet new expenditure that had not been funded in 2021-22 will require agreement from the Scottish Government, and it will remain important that reserves are not used to fund recurring expenditure, given the non-recurring nature of Covid funding.

Thank you for your support and engagement during 2021-22 and I look forward to continued close work with you as we take forward plans for 2022-23 and beyond.

Yours sincerely



Richard McCallum  
Director of Health Finance and Governance

## **Annex A Funding by Board Area**

<b>Further Covid-19 Funding (£000s)</b>	<b>Health Board</b>	<b>HSCP</b>	<b>Total</b>	
NHS Ayrshire & Arran	14,420	42,765	57,185	
NHS Borders	7,471	17,575	25,046	
NHS Dumfries & Galloway	13,997	16,146	30,143	
NHS Fife	20,947	43,961	64,908	
NHS Forth Valley	7,531	32,355	39,886	
NHS Grampian	7,533	55,697	63,230	
NHS Greater Glasgow & Clyde	88,484	132,917	221,401	
NHS Highland	10,947	37,604	48,551	
NHS Lanarkshire	15,121	68,810	83,931	
NHS Lothian	31,641	114,566	146,207	
NHS Orkney	2,575	3,746	6,321	
NHS Shetland	999	3,620	4,619	
NHS Tayside	2,441	45,355	47,796	
NHS Western Isles	1,608	3,887	5,495	
NHS National Services Scotland	118,110	-	118,110	
Scottish Ambulance Service	11,326	-	11,326	
NHS Education for Scotland	-	1,909	-	1,909
NHS 24	-	-	-	
NHS National Waiting Times Centre	5,436	-	5,436	
The State Hospital	-	-	-	
Public Health Scotland	3,071	-	3,071	
Healthcare Improvement Scotland	-	176	-	176
<b>Total</b>	<b>361,573</b>	<b>619,004</b>	<b>980,577</b>	

Please note these figures represent the total funding across several allocations (PPE, Test & Protect, Vaccinations and General Covid Funding). A detailed analysis will be provided to each NHS Territorial Board setting out the split across Board and Integration Authorities.

## Annex B Total Funding by Integration Authority

Integration Authority	Further Covid-19 Funding £000s
East Ayrshire	14,143
North Ayrshire	15,891
South Ayrshire	12,731
Scottish Borders	17,575
Dumfries and Galloway	16,146
Fife	43,961
Clackmannanshire & Stirling	16,819
Falkirk	15,536
Aberdeen City	24,317
Aberdeenshire	19,675
Moray	11,705
East Dunbartonshire	9,930
East Renfrewshire	14,781
Glasgow City	73,130
Inverclyde	10,370
Renfrewshire	16,964
West Dunbartonshire	7,741
Argyll & Bute	11,881
North Highland	25,724
North Lanarkshire	32,102
South Lanarkshire	36,708
East Lothian	13,537
Edinburgh City	70,314
Midlothian	9,506
West Lothian	21,209
Orkney	3,746
Shetland	3,620
Angus	11,843
Dundee	16,784
Perth & Kinross	16,728
Western Isles	3,887
<b>Total</b>	<b>619,004</b>

Please note these figures represent the total funding across several allocations (PPE, Test & Protect, Vaccinations and General Covid Funding). A detailed analysis will be provided to each NHS Territorial Board setting out the split across Board and Integration Authorities.





**Date:** 24<sup>th</sup> March 2022

**Completed by:** Iain Gorman, Head of Operations.

**Area:** East Lothian Community Hospitals and Care Homes Provision Change Board SBAR report.

<b>Situation</b>	This SBAR provides members with an update on the progress of the East Lothian Community Hospitals and Care Homes Provision Change Board with a focus on the initial findings from the Capacity and Planning Working Group.
<b>Background</b>	<p>This Change Board was established to consider the Community Hospitals and Care Homes provision throughout East Lothian and re-focus the project taking in to account current circumstances. These included the current IJB Strategic Plan, COVID-19, capital funding, East Lothian Local Housing Strategy 2018-23 and the Independent Review of Adult Social Care.</p> <p>Progress has been good and we have established 3 working groups, chaired by Health and Social Care Partnership (HSCP) officers; Communication and Engagement, Capacity and Planning and Finance and Capital. There have been 6 meetings of the Change Board to date.</p>
<b>Assessment</b>	<p>A number of work stream actions are underway and we provided an update to the IJB meeting on 13th December 2021. This SBAR provides a further update.</p> <p><b>Communications and Engagement working group:</b> the Communications and Engagement Plan was supported by the Change Board.</p> <p><a href="https://www.eastlothian.gov.uk/downloads/file/32120/community_hospitals_and_care_homes_project_consultation_and_engagement_plan">https://www.eastlothian.gov.uk/downloads/file/32120/community_hospitals_and_care_homes_project_consultation_and_engagement_plan</a></p> <p>A new logo and strapline have been developed in order to give the Consultation and Engagement sessions that we are undertaking across East Lothian throughout the summer a clear identity.</p> <p><b>Capacity and Planning working group:</b> the initial findings of this work on the 3 sub-themes (Hospital beds, Care Home beds and Intermediate care) at the Change Board meeting on 3rd March 2022. This paper presented the initial findings to date and set parameters around the work but did not make any recommendations. Further work will take place over the Spring and Summer as part of the Consultation and</p>



	<p>Engagement work. A Briefing paper is attached - Capacity and Planning Working Group initial findings paper.</p> <p><b>Finance and Capital working group:</b> the operational budgets for the services under consideration have been identified. The question of the support budgets for the premises used by the services delegated to the IJB has been raised with the partners. Consideration is now being given to the process for the IJB to engage with the partners in the procurement of new fixed assets.</p>
<p><b>Recommendation</b></p>	<ol style="list-style-type: none"> <li>1) To note the actions and work to date undertaken by the Change Board in relation to the 3 working groups.</li> <li>2) To note the continuous and ongoing pressure on staff as a result of the impact of Covid-19 and service impacts of Covid-19 through high levels of sickness, high vacancies, and staff self-isolating.</li> </ol>
<p><b>Further Information</b></p>	<p>N/A</p>

# Capacity and Planning Working Group initial findings (IJB)

March 2022

## Introduction

This paper provides a high level, brief summary of the work and thinking to date from the capacity planning group. It does not provide firm recommendations. The findings will be further developed over the next few months and we will provide a further update to the June 2022 Change Board.

We wish to be able to present and discuss what we have gathered and use this to listen and collect thoughts, views, ideas and other thinking from all our stakeholders on how together with East Lothian residents we can plan ahead for this provision in the future.

We are attempting to highlight the parameters and environment within which we should plan future developments. Set out below is the summary of the position to date. The Change Board Capacity subgroup was originally tasked to review three areas of service provision identified below and set likely parameters to help frame future provisioning discussions. These were:

1. **Inpatient** capacity within ELHSCP – all community hospitals
2. **Care Home** capacity – Private and ELHSCP operated
3. **Intermediate care** capacity

A further update was provided in November 2021 noting:

1. There was unlikely to be any requirement to go beyond current inpatient capacity over the short to medium term.
2. There would likely be no requirement to expand HSCP operated care home capacity beyond what is currently available<sup>1</sup>.
3. That further work on capacity modelling will require wider engagement with communities and stakeholders. This was agreed to be progressed after June 2022.

Following the November 2021 Change Board, the Capacity subgroup has concentrated on developing a clearer understanding of:

1. The extent to which existing beds support patient flow within the system.
2. How existing beds levels can contribute to improvements in care quality and patient experience.
3. Whether location of beds impacts the ability to provide more equitable access for East Lothian residents.
4. The impact of third party or external factors on future available capacity including increased referrals from out of area and planned private care homes failing to materialise.
5. What might the capital requirements be for potential future investments in East Lothian Health and Social Care. See below for wider HSCP Property Considerations.

The role housing will play in supporting future health provision is currently unknown but housing colleagues have confirmed the following timescales to update the Joint Strategic Needs Assessment (JSNA) and finalise the Local Housing Strategy (LHS). The development of the JSNA is underway with draft completion by winter 2022/23, followed by consultation and an expected finalised LHS in August 2023.

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<sup>1</sup> Available beds refers to current levels of Care Inspectorate Registrations. The current Registration figure is higher than the capacity that can actually be used. The most recent Registration figure does not take account of ten un-commissioned beds within Crookston.

Initial findings from the Capacity sub group were presented and discussed at the Change Board on 3<sup>rd</sup> March 2022. The summary of these are:

### Hospital Beds - initial findings

The review of data indicates that hospital beds are being managed effectively and there is currently sufficient capacity in the system for the foreseeable future. There is unlikely to be a requirement for additional Hospital beds in the medium to long term.

### Care Home Beds - initial findings

Scenario testing the 80+ and 83+ demographic supports the initial findings that the potential development of capacity for care home beds in East Lothian may be up to a maximum of 70 replacement beds and potentially 30 new beds. It is important to note that we must consider external provision, intermediate care, capital expenditure options and different models of care and ways to deliver care, together as we work with the public to develop this vision.

### Intermediate Care Capacity

Work is taking place with Health Improvement Scotland (HIS) to look at intermediate care models in East Lothian and the rest of the country considering alternative models being developed elsewhere and what we might learn from these. This work will help form part of the consultation and engagement discussions throughout the summer. We wish to gather ideas, input thoughts and views on what intermediate care models people across East Lothian currently like or would wish to see being developed in their local areas and what new or innovative ways we can look to provide health and care services across East Lothian.

### Wider HSCP Property Considerations

In undertaking the capacity work we need to consider other potential property and capital developments that may take precedence over recommendations that are ultimately made by the Change Board. Identified future HSCP premises requirements that may need to be prioritised and considered over the medium to long term include:

1. New or replacement Primary Care Premises
2. Additional and Complex Needs accommodation
3. Dementia friendly Housing
4. Replacement Care Home Bed provision

Any proposed funding of these projects would require to go through further capital planning evaluation and process. We must also note that the potential requirements would also be competing with similar requirements from other HSPCs across Lothian and Scotland.