



West Lothian Integration Joint Board

West Lothian Civic Centre
Howden South Road
LIVINGSTON
EH54 6FF

25 April 2018

A meeting of the **West Lothian Integration Joint Board** of West Lothian Council will be held within the **Strathbrock Partnership Centre, 189 (a) West Main Street, Broxburn EH52 5LH** on **Tue 1 May 2018 at 2:00pm**.

BUSINESS

Public Session

1. Apologies for Absence
2. Order of Business, including notice of urgent business and declarations of interest in any urgent business
3. Declarations of Interest - Members should declare any financial and non-financial interests they have in the items of business for consideration at the meeting, identifying the relevant agenda item and the nature of their interest.
4. Confirm Draft Minute of Meeting of West Lothian Integration Joint Board held on Tuesday 13 March 2018 (herewith)
5. Note Minute of Meeting of West Lothian Integration Joint Board Audit Risk and Governance Committee held on Wednesday 24 January 2018 (herewith)

Public Items for Decision

6. Royal Edinburgh Hospital Campus Redevelopment (Phase 2) - Report by Services Director (herewith)
7. Local Code of Corporate Governance - Report by Standards Officer (herewith)

8. Remit of Audit, Risk and Governance Committee - Report by Standards Officer (herewith)
9. Information Management - Report by Director (herewith)

Public Items for Discussion

10. 2017/18 Finance Update - Report by Chief Finance Officer (herewith)

Public Items for Information

11. Internal Audit Plan 2018/19 - Report by Internal Auditor (herewith)
12. External Audit Plan 2017/18 - Report by Chief Finance Officer (herewith)
13. Complaints and Information Requests - Quarter 4 of 2017/18 - Report by Director (herewith)
14. Workplan (herewith)

NOTE **For further information contact Anne Higgins, Tel: 01506 281601 or email: anne.higgins@westlothian.gov.uk**

MINUTE of MEETING of the WEST LOTHIAN INTEGRATION JOINT BOARD of held within STRATHBROCK PARTNERSHIP CENTRE, 189 (A) WEST MAIN STREET, BROXBURN EH52 5LH, on 13 MARCH 2018.

Present

Voting Members – Martin Hill, Tom Conn (substitute for Harry Cartmill), Martin Connor, Alex Joyce, George Paul, Damian Timson.

Non-Voting Members – Carol Bebbington, Elaine Duncan, Jim Forrest, Mairead Hughes, Jane Houston, Jane Kellock, Mary-Denise McKernan, Martin Murray, Bridge Meisak and Patrick Welsh.

In Attendance – Marion Barton (Head of Health), Carol Bebbington (Senior Manager, Primary Care and Business Support) and Lorna Kemp (Executive Project Officer).

Apologies – Dave King and Harry Cartmill.

1. ORDER OF BUSINESS, INCLUDING NOTICE OF URGENT BUSINESS AND DECLARATIONS OF INTEREST IN ANY URGENT BUSINESS

The Chair ruled that the order of business be changed to allow the report on 'West Lothian Eligibility Criteria for Carer Support' (Agenda Item 7) to be taken before the report on 'IJB Financial Plan Update' (Agenda Item 6).

2. DECLARATIONS OF INTEREST

Update: Drug and Alcohol Service/Referrals (Agenda Item 13) - Damian Timson declared a non-financial interest as a member of the Alcohol and Drug Partnership.

3. MINUTE OF MEETING OF WEST LOTHIAN INTEGRATION JOINT BOARD HELD ON TUESDAY 23 JANUARY 2018

The West Lothian Integration Joint Board approved the minute of its meeting held on 23 January 2018 subject to a correction to reflect that Martin Murray had given his apologies for the meeting.

Matters Arising – Minute Item 4, page 163

The Director informed the Board that plans to hold a Primary Care Summit were being progressed and that a date for the Summit had yet to be agreed. The item would be placed on the Workplan.

4. MINUTE OF MEETING OF WEST LOTHIAN INTEGRATION JOINT BOARD AUDIT RISK AND GOVERNANCE COMMITTEE HELD ON

WEDNESDAY 11 OCTOBER 2017

The West Lothian Integration Joint Board noted the minute of the IJB Audit Risk and Governance Committee held on 11 October 2017.

5. WEST LOTHIAN ELIGIBILITY CRITERIA FOR CARER SUPPORT

The West Lothian Integration Joint Board considered a report (copies of which had been circulated) by the Director informing the Board of its duties under the Carers (Scotland) Act 2016 in relation to setting eligibility criteria for carer support and consulting carers and representatives of carers on the proposed eligibility criteria. The report also informed the Board of the outcome of the public consultation with carers and representatives of carers on the proposed eligibility criteria and presented the proposed eligibility criteria for approval.

The Board was informed that from 1 April 2018, the council was required to:-

- Identify the support needs of carers
- Prepare an adult carer support plan or a young carer statement if someone asked for one
- Provide support to carers based on local eligibility criteria
- Involve carers in planning services
- Establish information and advice services for carers.

The health service was required to:-

- Involve carers in the hospital discharge planning of the people they cared for
- Partnerships must also prepare a local Carers' Strategy and a Short Breaks Services Statement.

The report advised that the council had developed draft local eligibility criteria to determine what type of support carers would be offered. The proposed criteria were attached as Appendix 1 to the report and eligibility for paid support to carers was set at Level 3 – Duty to Support. The proposed criteria were joint criteria, as recommended in the statutory guidance, and could apply to both adults and young carers. This also assisted in keeping the assessment process for support consistent through transition from young carer to adulthood.

The report went on to advise that West Lothian IJB had not been delegated functions relating to children's services, therefore, the governance route for the approval of the joint criteria was the West Lothian IJB for adults and Council Executive for young carers and carers of children with additional care needs.

The report provided details of an online public consultation on the eligibility criteria. There had been 23 responses and a summary of the responses were set out in the report.

It was recommended that the Board:-

- Note the IJB's duties in relation to setting eligibility criteria for carer support where functions were delegated;
- Note the council's duties in relation to setting eligibility criteria for carer support where functions were not delegated;
- Note the outcome of the public consultation with carers and representatives of carers on the proposed eligibility criteria;
- Note the proposed eligibility criteria;
- Approve the eligibility criteria for adult carers who provided unpaid care for adults; and
- Approve that eligibility for paid support to carers would be set at Level 3 – Duty to Support.

During discussion the Board heard that, at its meeting held on 6 March 2018, the Council Executive had approved the eligibility criteria for young carers and carers of children with additional care or support needs.

Decision

1. To note the terms of the report and
2. To approve the eligibility criteria for adult carers who provided unpaid care for adults
3. To approve that eligibility for paid support to carers would be set at Level 3 – Duty to Support.
4. To note that the decisions above would impact on the proposed Directions which would be considered by the Board separately (Agenda Item 6 – IJB Financial Plan Update).
5. To note that the Council Executive had approved the eligibility criteria for young carers and carers of children with additional care or support needs.

6. IJB FINANCIAL PLAN UPDATE

The IJB considered a report (copies of which had been circulated) by the Chief Finance Officer setting out the outcome of the financial assurance process on the contributions that West Lothian Council and NHS Lothian had identified to be delegated to the IJB for 2018/19 and providing an update on progress with medium term financial planning for IJB delegated functions.

It was reported that West Lothian Council had approved its 2018/19 budget on 13 February 2018, including the 2018/19 level of resources

associated with functions delegated to the IJB of £72,879 million. This took account of additional Scottish Government funding in the Scottish Local Authority settlement of £66 million specifically for social care. West Lothian's share of this funding had been confirmed as £1.855 million. This funding was additional to the £10.190 million included in the previous Scottish Budgets in 2016/17 and 2017/18 and in total £12.045 million had been baselined as specific recurring funding from 2018/19 and had been allocated to the IJB.

The report contained a table showing the 2018/19 budget, compared to the equivalent 2017/18 and 2016/17 budget contributions reported as part of prior year financial assurance reports. Appendix 1 to the report showed further details on the split of the resources against the various adult social care functions/services in each year.

The 2018/19 budget reflected savings of £2.562 million which would require to be delivered to manage within the resources of £72.839 million. While comprehensive budget planning had been undertaken to realistically assess the additional cost demands to be budgeted for in 2018/19, and savings required as a result, there were a number of key risks and uncertainties that would require to be closely monitored during 2018/19. The key risks and uncertainties were examined in the report.

The 2018/19 budget associated with NHS delegated functions for West Lothian was £150.114 million. However, at this stage, based on initial spend forecasts and saving assumptions, there was a gap forecast of £1.953 million for 2018/19 compared to anticipated spend.

Appendix 2 to the report showed details of the split of the 2018/19 resources provided and forecast resources required to deliver IJB delegated functions across the NHS Lothian contribution.

The Board was informed that there were a number of funding streams still to be allocated to the IJB. These included a further £2 million identified across Lothian for efficient prescribing in 2018/19 and a share of funding for Acute drug pressures. Subject to agreement on the basis of allocation, West Lothian IJB would receive further funding from this source as a means of managing GP prescribing demands and acute drug pressures in 2018/19.

Additional 2018/19 funding of £175 million for NHS Boards was still to be allocated by the Scottish Government for investment in reform. Scope for this to meet existing pressures was still to be determined but this would potentially assist in increasing resources available for NHS Lothian and IJBs for investment in priority areas such as primary care and mental health. In addition, further detail was required from the Scottish Government on the allocation of an additional £20 million of investment for Alcohol and Drug services. Close management and monitoring of expenditure through NHS Lothian and IJBs working in partnership would be important in meeting the objective breakeven for 2018/19.

A number of specific risks would require to be closely monitored during 2018/19, and these were listed in the report.

Appendix 3 to the report was Directions to West Lothian Council and NHS Lothian who were operationally responsible for delivering services within the resources available.

Appendix 4 to the report was the Annual Financial Statement reflecting the 2018/19 budget contributions contained in the report.

The Chief Finance Officer recommended that the Board:-

1. Note the financial assurance work undertaken to date;
2. Agree that council and NHS Lothian 2018/19 budget contributions were allocated via Directions to Partners, to operationally deliver and financially manage IJB delegated functions from 1 April 2018
3. Agree that the Directions attached in Appendix 3 to the report were issued to West Lothian Council and NHS Lothian respectively;
4. Note the update to medium term financial planning in respect of IJB delegated functions
5. Agree the updated IJB Annual Financial Statement attached in Appendix 4.

The Chief Finance Officer then referred to the previously considered item of business and informed the Board that the Directions would require to be amended to take account of the decision taken on the carers' criteria.

During discussion, a question was raised concerning submission of a Workforce Plan by NHS Lothian. In response, the Director undertook to request submission of this to the IJB Audit Risk and Governance Committee.

Decision

1. To note the terms of the report;
2. To agree that the Directions attached to the report be issued to West Lothian Council and NHS Lothian respectively – but subject to amending Directions to add a reference to the carers' criteria alongside the mention of the direct care criteria.
3. To agree the updated IJB Annual Financial Statement attached as Appendix 4 to the report.

7. STRATEGIC PLAN ANNUAL REVIEW

The IJB considered a report (copies of which had been circulated) by the Director outlining the annual review of the IJB Strategic Plan 2016-26, and recommending that a replacement Strategic Plan be developed to take account of new legislation, national contract changes, market and workforce factors and to drive forward transformational change in health

and social care aligned to the medium term financial plan.

The Board was informed that the Strategic Plan had been reviewed based on consistency with the policy, economic and social context and ongoing accordance with values, resources, appropriateness, feasibility and desirability. The vision and values set out in the Strategic Plan remained relevant and had a good fit with NHS Lothian and West Lothian Council, encapsulating the purpose of the partnership.

The report provided details of performance as measured against key indicators. The report also examined Capacity and Demand, Primary Care, the Carers Act, Finance, and Workforce.

The Director concluded that the annual review of the Strategic Plan 2016-26 had identified challenges which were impacting on performance and delivery of the plan outcomes. The review updated and refreshed the policy drivers for the plan and had taken account of legislative and contractual changes as well as changes within the financial plan. These challenges and changes had indicated a replacement plan was required.

It was proposed that the replacement would be developed by a small working group in conjunction with the Strategic Planning Group with first draft being brought to the Board in June 2018. Following consultation and any amendment, the final plan would be brought to the Board for approval in December 2018.

The Integration Joint Board was recommended to:-

1. Consider the annual review of the strategic plan, in context of the local market and workforce factors along with new legislation and national contract changes and requirement to align with medium term financial plan.
2. Agree that a replacement strategic plan be developed to drive forward the transformational change required in health and social care.
3. Agree the proposed plan for development and timescale for completion.

Decision

1. To note the terms of the report
2. To agree that a replacement strategic plan be developed.
3. To agree the proposed plan and timescale for completion as outlined in the report.

8. IJB 2017/18 FINANCE UPDATE

The IJB considered a report (copies of which had been circulated) by the Chief Finance Officer providing an update on the 2017/18 budget position

for the IJB delegated health and social care functions, including an update on key risk areas.

The Chief Finance Officer advised that the forecast position in the report reflected the most recent NHS and council outturn position. West Lothian Council was forecasting an overall breakeven budget position for 2017/18, while NHS Lothian was forecasting an overspend of £1.394 million.

Appendix 1 to the report provided detail on the forecast position and Appendix 2 was a summary of the key risks and service pressures along with actions being progressed to mitigate the risks as well as information on in year and future year strategic risks.

The forecast outturn reflected the outcome of comprehensive monitoring by both the Council and Health at Quarter 3 at which point there was a forecast overspend of £1.037 million. Further updates over the course of the previous month had resulted in an increase to the forecast overspend to £1.394 million.

As part of the 2017/18 payment to the IJB from the council and NHS Lothian, there were £3.520 million of budget savings identified. The monitoring undertaken at Quarter 3 estimated that £3.048 million of this target was achievable.

In addition, the share of acute set aside budget included a share of acute savings totalling £438,000 of which £240,000 was currently estimated to be achievable. The overall forecast position for the IJB took account of the overall position on savings noted.

The summary split of these savings was shown in a table within the report, along with the actual level of savings considered to be achievable at the current stage.

While in overall terms, satisfactory progress was being made on the delivery of 2017/18 savings (83% of the savings value forecast to be achievable in 2017/18), it was vital that savings were fully achieved on a recurring basis. NHS Lothian and the council had established processes in place for monitoring and reporting on the delivery of savings and regular updates would be provided to the Board on progress with delivery of savings.

The Board was recommended to:-

1. Note the forecast outturn for 2017/18 in respect of IJB Delegated functions taking account of saving assumptions.
2. Note the key risks associated with the 2017/18 forecast position.
3. Note that further management action was required by Partner bodies in partnership with the IJB to manage the 2017/18 budget pressures.

Decision

To note the terms of the report.

9. CLINICAL GOVERNANCE

The IJB considered a report (copies of which had been circulated) by the Clinical Director informing the Board of developments with regard to Primary Care and Community Services in West Lothian.

The Board was informed that Primary Care services in West Lothian continued to be under pressure, as the recruitment and retention challenges continued. West Lothian HSCP had taken an active role in working with GP practices to maintain service provision and develop new ways of working to assist practices in managing demand. In addition, ongoing work to develop other service areas such as Mental Health and services for the frail elderly contributed to supporting primary care teams in managing these vulnerable groups.

In relation to general practice service stabilisation and development, it was noted that following the successful return to a GMS contract, no further West Lothian practices had required direct management support over the previous 12 months. All practices were currently functioning under independent contractor status, and only one practice was operating with a restricted list.

The report explained that during the year, GP Clusters had focused on quality, benchmarking and sharing new ways of working such as:

1. Signposting
2. Enhanced Signposting training for reception staff
3. West Lothian Primary Care Bulletin

In relation to prescribing, the West Lothian Prescribing Incentive Project ran until August 2017. Practices undertook a range of actions to reduce prescribing costs. Overall, 6 practices reduced their cost per patient from baseline, and a further 8 practices contained growth to within 3% as compared to the previous year. Several additional actions had been undertaken in the current year to promote quality prescribing. These were examined in the report.

The report went on to provide details of frailty redesign and the development of REACT Hub.

In relation to Mental Health redesign, work had commenced on the development of mental health hubs in West Lothian to provide improved services for patients with mild-moderate mental health symptoms. This joint venture between primary and secondary care aimed to co-locate a range of intermediate-level services for this patient group, as well as linking to third sector services through the use of mental health link workers. Mild to moderate mental health problems were a leading cause of presentation to GP's surgeries, to the provision of alternative to GP

care for this patient group was aimed at both improving the range of options available to patients were reducing pressure on GP appointments, as well as reducing referrals to Psychiatric out patients.

Finally, the report provided an update in relation to implementation of the 2018 GMS contract.

The Board was informed that Scottish Government time frames for development and roll-out of the Primary Care Implementation and Improvement Plan were ambitious, and additional staffing would be required at HSCP level to successfully carry out this work. It was important both for patients and GP morale and engagement that work was able to progress at a reasonable pace, to secure the future of primary care services in the area.

The Board was recommended to:

- Note the contents of the report.
- Be assured that West Lothian HSCP were successfully maintaining and developing service provision.
- Be assured that plan were being developed to implement the new GP contract in West Lothian.
- Support innovative approaches to primary care and community service provision and assist on communicating the vision for the future to all stakeholders including the general public.
- Support an increase in staffing at HSCP level to facilitate the implementation of the new GP contract.

Decision

1. To note the terms of the report as recommended by the Clinical Director.
2. To support approaches to primary care as outlined in the report.
3. To support an increase in staffing at HSCP level as recommended in the report.

10. IJB DEVELOPMENT SESSION REPORT

The IJB considered a report (copies of which had been circulated) by the Chief Officer providing a brief summary of the output of the IJB Development Day held on 19 February 2018.

The development event had been held on 19 February 2018 to discuss the financial plan, transformational change programme and development of Directions to NHS Lothian and West Lothian Council. Brief presentations were given on Financial Planning 2018/19 to 2022/23 and Strategic Change Programme.

It had been noted at the event that there were several risks and uncertainties around the modelled position that required to be kept under review including:

- Pay awards/staff costs as the Public Sector pay cap had been lifted, the 2018 pay award was still subject to consultation with the pay review bodies.
- Demographic demand associated with the rapidly growing elderly population.
- Inflation.
- Uncertainty over Scottish Government funding levels for future years and funding associated with policy commitments.
- Achievement of savings required to balance the budget.
- Overall economic growth and uncertainty over Brexit.

The challenging five-year forecast with increasing demands and funding constraints required a whole system approach to develop innovative and sustainable models of care which needed to be reflected in the Strategic Plan and in communications with and directions to partner bodies.

Performance in relation to the 4-hour A&E standard and delayed discharges were highlighted as key challenges along with the current usage of available beds with St John's Hospital, the Community Hospitals and intermediate and interim care units. Discussion at the event focussed on how the current system of health and social care operated and examined two patient stories. These patients' journeys through health and social care would be beneficial, they clearly demonstrated poor communications between teams and an overall lack of integration and care co-ordination resulting in prolonged length of stay and poorer outcomes for the patients concerned.

Proposals to move towards Single Point of Access and Discharge to Assess models had been discussed and agreed that these should be further developed for more detailed consideration.

Finally, it was noted that Board members present had agreed that a further development session should be arranged in April 2018 to have detailed discussion on unscheduled care and development of Single Point of Access, Discharge to Assess and Eligibility Criteria.

At this point in the meeting the Director provided a verbal update concerning the demand for hospital beds in recent weeks. Since the update given at the January meeting, the position had been exacerbated with immense pressure at the ERI and other community hospitals. Additional capacity had been provided by St John's Hospital and action had been taken to commission beds with Care Homes.

The Board was recommended to:-

1. Acknowledge the challenges being faced in delivery of health and social care that were driving the need for change.
2. Support the management team in taking forward the improvement actions identified.
3. Agree the development of revised Strategic Plan to take account of the drivers and actions required to achieve strategic objectives.
4. Agree the development of more detailed and explicit Strategic Directions to support service redesign and transformational change programmes.
5. Support future development event planned for April 2018.

Decision

1. To note the terms of the report.
2. To support the management team in taking forward the improvement actions identified.
3. To agree the development of revised Strategic Plan to take account of the drivers and actions required to achieve strategic objectives.
4. To agree the development of more detailed and explicit Strategic Directions to support service redesign and transformational change programmes.
5. To support future development event planned for April 2018.

11. PROPOSED MEETING DATES 2018/19

A paper had been circulated providing a list of proposed meeting dates for 2018/19 for the Board's approval.

Decision

To agree the list of proposed meeting dates as undernoted:-

Tuesday 14 August 2018 at 2.00 pm
Monday 24 September 2018 at 2.00 pm
Wednesday 21 November 2018 at 2.00 pm
Tuesday 29 January 2019 at 2.00 pm
Tuesday 12 March 2019 at 2.00 pm
Wednesday 26 June 2019 at 2.00 pm

12. UPDATE: DRUG AND ALCOHOL SERVICE/REFERRALS

The Board considered a report (copies of which had been circulated) by

the Director advising the Board of the current performance of the HEAT A11 target.

The report advised that the HEAT (Health improvement, Efficiency, Access to services and Treatment) A11 standard set by the Scottish Government stated that by March 2013, 90% of clients would wait no longer than three weeks from referral received to appropriate drug or alcohol treatment that supported their recovery. This remained one of the main performance measures for ADP commissioned services.

The performance of West Lothian IJB, together with comparative figures for Lothian, was set out in a table within the report. The percentages reported for Lothian and for each IJB covered all drug and alcohol services funded by the Local ADP – NHS, CEC and Third Sector. Over performance in one service would compensate under performance in another.

The table showed that performance for West Lothian had been dropping each quarter, partly due to staffing problems and data entry/clean up. West Lothian had been working with some vacancies and staffing issues on both the nursing and medical side which had affected performance. Work was underway to stabilise the nursing staffing and medical staff were currently being recruited.

A redesign of the service was being planned for 2018, with greater integration of the social work and NHS elements being key. Some early work had already been done in relation to how work was prioritised and allocated, and it was anticipated that the Quarter 3 figures for the West Lothian IJB area would show a modest improvement in performance. The redesign would also seek to establish whether the balance of work across the three partners – NHS, Social Policy and third sector – was optimal.

The Board was recommended to support the approach taken by services to reduce waiting times and achieve optimal performance.

Decision

To support the approach as recommended in the report.

13. COMPLAINTS AND INFORMATION REQUESTS - QUARTER 3 OF 2017/18

The IJB considered a report (copies of which had been circulated) by the Director providing statistics on complaints and information requests made to the Board in Quarter 3 of 2017/18.

The report recalled that its meeting in December 2017, the Board had agreed that the Complaints Handling Procedure be amended in line with recommendations from the Complaints Standards Authority. This included a requirement to report on complaints received by the Board on a quarterly basis.

The Board was also required to submit quarterly statistics on requests for

information to the Office of the Scottish Information Commissioner (OSIC) and therefore a quarterly update on requests for information would be reported alongside complaints.

The Board was informed that an internal procedure for processing requests for information relating to the Board was in place. Requests for information would be recorded on council systems, as would complaints, and there was signposting on the IJB pages of the Health and Social care Partnership website explaining how to make a complaint or request information.

The Board was asked to note:-

1. That no complaints had been received in quarter 3 or since the establishment of the IJB;
2. Note that no requests for information had been received in quarter 3 or since the establishment of the IJB; and
3. Note that complaints and requests for information would be reported on a quarterly basis.

Decision

To note the terms of the report.

14. WOKRPLAN

A copy of the Workplan had been circulated for information.

Decision

To note the Workplan and that 'Primary Care Summit' would be included as an item of the Workplan.

MINUTE of MEETING of the WEST LOTHIAN INTEGRATION JOINT BOARD AUDIT RISK AND GOVERNANCE COMMITTEE held within CONFERENCE ROOM 3, WEST LOTHIAN CIVIC CENTRE, HOWDEN SOUTH ROAD, LIVINGSTON, EH54 6FF, on 24 JANUARY 2018.

Present

Voting Members - Damian Timson (Chair), Martin Connor and Lynsay Williams (by conference call)

Non-Voting Members – Jane Houston

Apologies George Paul (Voting Member) and Martin Murray (Non-Voting Member)

In attendance - Marion Barton (Head of Health), James Millar (Standards Officer), Kenneth Ribbons (Internal Auditor, WL IJB) and Sharon Leitch (Senior Auditor, WLC)

1. DECLARATIONS OF INTEREST

There were no declarations of interest made.

2. MINUTE

The committee approved the minute of the meeting held on 11 October 2017 as being a correct record. The Chair thereafter signed the minute.

3. INTERNAL AUDIT OF WORKFORCE PLANNING

The committee considered a report (copies of which had been circulated) by the Internal Auditor providing details of the internal audit of workforce planning.

In accordance with the internal audit plan for 2017/18 an audit of IJB workforce planning was carried out. The objectives of the audit were to determine whether controls were in place within the IJB to monitor workforce planning arrangements within NHS Lothian and West Lothian Council. The resultant audit report was attached as an appendix to the report and the agreed management action was included as an action plan within the audit report. The Internal Auditor highlighted a typographical error within the action plan as the action date should be 23 January 2018.

The Internal Auditor advised that a number of issues were raised relating to workforce planning. The original schedule for the IJB Workforce Plan pre-dated the commitment of the Scottish Government to produce a National Health and Social Care Workforce Plan. Part 1 of the plan related to the hospital based workforce and Part 2 related to the social care workforce, which was published on 15 December 2017. Part 3 of the plan would set out proposals on primary care which was originally

scheduled for publication by the end of 2017 however this was now expected early in 2018. Accordingly the key action relating to this finding was that a revised schedule for the production of the IJB Workforce Plan would be presented to the IJB for consideration at its meeting on 23 January 2018. This revised schedule would include reporting of the various elements of the national workforce plan and the engagement activity around the draft IJB Workforce Plan. West Lothian Council and NHS Lothian were required to formulate their own Workforce Plans in accordance with national guidance, which were still in draft format.

The committee was advised that a stakeholder event was planned for 26 January 2018 to focus on some of the challenges and the findings would be used to help to develop the action plan.

During the course of the discussion members raised their concerns that insufficient timescales were in place as the draft IJB Workforce Plan did not include target completion dates or details of the individuals responsible for each action. The action plan was noted as 'in development' and therefore was lacking in detail. The Head of Health undertook to liaise with the IJB Director and NHS Lothian Chief Officer to discuss the expectations around the workforce plans and recommend that the most up to date action plans be shared with the IJB, and report back to the next meeting with an update.

The Internal Auditor agreed to provide an update report on the Internal Audit of Workforce Planning for consideration at the December 2018 meeting of the IJB Audit, Risk and Governance Committee.

It was recommended that the committee considers the internal audit report and its findings, and notes that control was considered to require improvement.

Decision

1. To note the contents of the report and its attachment;
2. To note that the Head of Health undertook to liaise with the IJB Director and NHS Lothian Chief Officer and provide an update to the next meeting of the committee; and
3. To note that the Internal Auditor would provide an update report on the Internal Audit of Workforce Planning for consideration at the December 2018 meeting of the committee.

4. INTERNAL AUDIT OF FINANCIAL PLANNING

The committee considered a report (copies of which had been circulated) by the Internal Auditor providing details of the IJB Internal Audit of Financial Planning.

The report recalled that in accordance with the internal audit plan for 2017/18, an audit of IJB financial planning was carried out. The objective of the audit was to review the processes in place within the IJB for

ensuring that robust arrangements were in place for medium term financial planning.

The Internal Audit Report dated 5 January 2018: IJB Financial Planning was attached as an appendix to the report, which included agreed management action as an action plan within the audit report.

The committee acknowledged the excellent report and the key controls in place to improve control.

It was recommended that the committee considered the internal audit report and its findings, and notes that control was considered to be effective.

Decision

To note the contents of the report, the internal audit report and its findings.

5. LOCAL CODE OF CORPORATE GOVERNANCE

The committee considered a report (copies of which had been circulated) by the Standards Officer providing details of the draft Local Code of Corporate Governance, which was attached as an appendix to the report.

The report advised that the legislation under which the Board was established brought it into the financial and accounting regime that applied to local authorities, which meant that the Board had to observe relevant proper accounting practices covering internal audit and governance arrangements as well as financial accounting.

The Standards Officer advised that the Framework defined the principles that should underpin the governance of an organisation, providing a structure to help with an approach to governance.

A local code was drafted, based on the Framework and Guidance, which was intended to be a tool for measuring and demonstrating the degree of the Board's compliance with the standards the Code set out. The draft Code would be finalised based on the committee's suggestions and further feedback from officers, which would be reported to the Board for approval along with agreement for the process by which the Board's compliance would be measured and then reported on. This process would involve an assessment being made by the Board's Senior Management Team, and then a report based on that assessment and any areas of concern and proposed actions. The IJB Audit, Risk and Governance Committee would have its role to play in relation to the approval of the Annual Governance Statement and monitoring any agreed actions to address areas of concern. It would also keep the Code and its associated procedures under periodic review.

The committee acknowledged the comprehensive framework but found it to be a bit onerous and time consuming to populate and assess. The Standards Officer stated that the aim was not to be a cumbersome

document but to provide assurances to the Board on the compliance and effectiveness of governance arrangements. He advised that he would be happy to provide an updated report to the next meeting of the IJB Audit, Risk and Governance Committee prior to being submitted to the Board for approval.

It was recommended that the committee:

1. Considers the proposed arrangements for the Board's Local Code of Corporate Governance; and
2. Notes that a report would be taken to the Board for approval and implementation of the Code when finalised.

Decision

1. Noted the contents of the report and the proposed arrangements for the Board's Local Code of Corporate Governance; and
2. Agreed that an updated report on the proposed arrangements for the Board's Local Code of Corporate Governance would be provided to the next meeting of the IJB Audit, Risk and Governance Committee in March 2018 prior to being forwarded to the Board for approval and implementation when finalised.

6. WORKPLAN

The committee noted the contents of the workplan (copies of which had been circulated).

The workplan was agreed subject to including the following items:

March 2018 Meeting

- Code of Corporate Governance Update (James Millar)
- Workforce Planning Update (Marion Barton)
- Timetable of Meetings 2018/2019 (Elaine Dow)

December 2018 Meeting

- Internal Audit of Workforce Planning Update (Kenneth Ribbons)

West Lothian Integration Joint Board

Date: 1 May 2018

Agenda Item: 6

Chief Officer

ROYAL EDINBURGH HOSPITAL CAMPUS REDEVELOPMENT (PHASE 2) MENTAL HEALTH, LEARNING DISABILITY AND SUBSTANCE MISUSE SERVICES CONFIRMATION OF BED MODELLING, COMMUNITY INVESTMENT AND REVENUE AFFORDABILITY

1 Purpose of the Report

- 1.1 The purpose of this report is to seek the support of West Lothian Integration Board (IJB) for the bed numbers and financial assumptions for Phase 2 of the Royal Edinburgh Hospital (REH) reprovion thereby allowing the Outline Business Case (OBC) to progress.

2 Recommendations

The West Lothian Integration Joint Board is invited to:

- 2.1 Agree to the proposed West Lothian bed numbers in Phase 2.
- 2.2 Agree in principle to a bed risk share model with other IJBs in order to progress the business case and ensure West Lothian patients have continued access to specialist services.
- 2.3 Agree that the financial model will be revisited as part of the work towards the new IJB NRAC financial allocation model and that the final financial model for the OBC should be presented to the IJB.

3 Discussion of the Key Issues

- 3.1 Phase 1 of the REH reprovion was completed and occupied in mid 2017. It included the provision of 165 single en suite bedrooms in 11 wards for all acute admissions for adult and older people's mental health services and an intensive rehabilitation ward. This phase also included 20 beds in the Robert Fergusson Unit providing rehabilitation for patients with acquired brain injury.
- 3.2 Phase 2 of the REH reprovion programme is to provide facilities for patients with Learning Disabilities and who require low secure mental health care and complex longer term psychiatric rehabilitation. At present many of these patients receive care in specialist hospitals in other parts of Scotland and the UK. Some of this is provided by the private sector. The out of area provision is funded from an unplanned activity budget termed UNPACS.
- 3.3 The annual costs of providing out of area care range from £180k to £380k per patient with the majority of patients staying for several years, some with no plans for discharge or to return to Lothian.
- 3.4 Phase 2 is also to include the reprovion of the Ritson Clinic which provides inpatient detoxification for patients with substance misuse and the new Facilities Management building for the REH campus.
- 3.5 Phase 3 is planned to include the reprovion of the integrated rehabilitation services in fit for purpose accommodation. These are currently provided at the Astley Ainslie Hospital and work is underway with the IJBs and HSCPs to review the pathways and models of care for the services involved. A proposal for Phase 3 is expected in November 2018.

Learning Disability Services

- 3.6 The Learning Disabilities (LD) Collaborative has developed a comprehensive programme of redesign of which the Phase 2 LD beds are a part. This included the closure programme of healthcare houses

which is now underway and the transfer of resources for Health and Social Care Partnerships (HSCPs) to provide community alternatives to inpatient care. The programme also includes the consolidation of assessment and treatment inpatient beds on the REH site. The overall bed reduction if agreed and when complete will be from 75 to 29 (including NHS Borders) but also significantly includes the reprovion of inpatient services previously provided out of area largely by an NHS Trust in Northumbria funded from the unplanned activity (UNPACS) budget.

- 3.7 The redesign and refurbishment of the Islay Centre (the LD inpatient unit at the REH providing the new model of care) completed in 2017 has seen an improvement in both safety for staff and outcomes for patients and confirmation that NHS Lothian has the capability and capacity to provide services locally. It has also informed HSCPs and NHSL of the physical design of accommodation that can be commissioned in the community and in any future reprovion.
- 3.8 The LD programme includes investment in community accommodation and community services in each HSCP with actions aligned to individual patients who will be discharged as part of the programme.
- 3.9 The Royal Edinburgh Campus (REC) Working Group, a sub group of the REC Programme Board with membership from IJB planning and finance officers has confirmed the bed numbers and overall programme.
- 3.10 The bed numbers are at Table 1 and include 2 beds for NHS Borders and 1 for NHS Lothian's CAMHS LD.

Place Type	Edinburgh	East Lothian	Midlothian	West Lothian	NHS Borders/CAMHS	Total
Inpatient Places	15	3	2	6	3	29

Table 1 – LD Inpatient and Community Place Numbers

- 3.11 In summary, the LD proposal is that all patients who can appropriately be supported in a community setting will be and any patient who requires assessment and treatment within a hospital will receive this at the REH rather than in the north of England. The exceptions to this will be the very small number of patients who require low or medium secure facilities provided by NHS Fife and NHS Greater Glasgow and Clyde respectively and funded separately on a regional and national risk sharing basis, again respectively.

Mental Health (MH) Services

- 3.12 The MH part of Phase 2 comprises the facilities for patients who require low secure settings (forensic and non forensic), and those who require longer term complex rehabilitation together with alternatives for women with multiple and complex needs who presently require inpatient stays out of area.

Low Secure

- 3.13 Male and female patients who require low secure facilities include those forensic mental health patients who no longer require medium security and mental health patients who require a higher level of security than can be safely provided in acute MH ward, an IPCU or a rehabilitation ward. The UNPACS budget has been used to fund around 20 low secure places for Lothian patients in recent years. These have been mainly at private facilities in Ayr and Glasgow however several patients who have specialist needs due to brain injury or sensory impairment have been placed in private and NHS facilities in England.
- 3.14 The requirement for low secure provision has been agreed by the partners as 23. Table 2 shows the breakdown.

Patient Group	Total	Edinburgh	East Lothian	Midlothian	West Lothian
Low Secure	23	15	2	1	5

Table 2 – Low Secure Inpatient Places

Women with Complex and Multiple Needs

- 3.15 The UNPACS budget has been used to help support 12 – 24 month placements in a therapeutic community in York for women who often have experienced trauma and have significant self harming behaviour for which detention within an acute hospital environment is unhelpful and often reinforces and exacerbates risky behaviour rather than reducing and containing it. The annual cost of such placements is £220k
- 3.16 It has been agreed by the partners that with access to either low secure or longer term complex rehabilitation beds if required as part of this reprovision, a very specialist intensive community service for women will prevent the need for out of area hospital admissions in the future.
- 3.17 It is therefore proposed to utilise the current UNPACS budget to begin to develop such a specialist service in order to prevent future out of area placements so no women with such needs require repatriation by the time of the completion of Phase 2.
- 3.18 The cost of this initial development are included in the draft financial model at Table 4 below.

Longer Term Complex Rehabilitation

- 3.19 The number and configuration of MH rehabilitation (rehab) beds across Lothian has been subject to many programmes since the 1990's which saw institutions like Craighouse Hospital close and over 110 patients transfer to community settings provided by third sector partners in Edinburgh. In Midlothian and East Lothian, Park and Cameron Cottages were developed to assist the complete closure of rehab beds and in West Lothian; Pentland Court was established on the St John's site as an inpatient rehab facility. Ward closures at the REH saw more rehab beds close in 2012 and most recently the opening of Phase 1 at the Royal Edinburgh Building saw the creation of the Braids intensive rehab ward by reducing 15 acute admission beds for this purpose.
- 3.20 The work of the REC Working Group has identified which partners use which beds and where further work is required. Table 3 also identifies the requirements of each HSCP based on historic use of the rehab beds at the REH.

Patient Group	Total	Edinburgh	East Lothian	Midlothian	West Lothian
Long Stay Complex Rehabilitation	20	18	0	2	0

Table 3 – Longer Term Complex Rehabilitation Inpatient Places

West Lothian HSCP have agreed to review their model of care and consider how the Pentland Court resource might be used differently and East Lothian and Midlothian HSCPs wish to review their models together initially considering resources such as Park and Cameron Cottages. Edinburgh HSCP are the main users of the current 45 rehab beds at the REH and in order to reduce their requirement to 18, investment in 16 Grade 4 and Grade 5 facilities in the community is required.

- 3.21 There is no upper age limit on the MH or LD services to be provided in Phase 2.

Substance Misuse Services: The Ritson Clinic

- 3.22 The 3 Lothian ADPs and the Lothian Substance Misuse Collaborative have agreed that the requirement for inpatient substance misuse detoxification should continue as part of the options available for alcohol and drug users who wish to safely reduce their substance use, often in preparation for access to the abstinence programme (LEAP). The facility is required to be provided on a hospital site for clinical reasons with risks associated with withdrawal and medication. The Ritson Clinic has recently reduced from 12 to 8 inpatient beds with 2 day beds (for Edinburgh ADP) as part of these agreements and following reviews of available funding.
- 3.23 The Ritson clinic is located on the first floor of the Andrew Duncan Clinic which will be demolished after Phase 2 is completed. It is both possible and affordable to include the Ritson Clinic in the footprint of the Phase 2 MH and LD building and in doing so will solve an outstanding strategic issue. The costs are revenue neutral.

Proportionality of Bed Numbers

- 3.24 It is clear that proposed bed numbers do not match the current financial distribution formula between IJBs (Edinburgh 57%, West Lothian 21%, East Lothian 12%, Midlothian 10%). There are a number of reasons for this including levels of service that each HSCP has in its area that provide similar functions and historical levels of implementation of care in the community. For this reason it is important that as the OBC progresses and as the allocation formula for hosted services is reviewed in 2018/19, that each IJB approves the final model in the OBC

Clinical Brief and Design

- 3.25 Following the agreement of the above recommendations by each IJB and NHSL F&R Committee, the programme of clinical brief and design will conclude during the summer allowing the OBC to be finalised. Visits have taken place and will continue to take place to providers across the UK who have similar facilities to incorporate good practice and ideas and take on board lessons learned.
- 3.26 As above, where opportunity permits, services will be provided locally and patients repatriated or prevented from having to go out of area and community resources will be utilised as they become available so the programme is not awaiting new buildings to create improvement. Staff will be recruited to provide such services locally and develop skills that will enhance delivery of the new unit.

Facilities Management Building and Infrastructure Improvements

- 3.27 The FM building will provide a logistics hub for the site encompassing stores, facilities and catering. The new facility will align with the NHS Lothian catering policy providing meals across the campus. The positioning of the building on the edge of the site will play a significant part in the health and safety management of the campus by providing separation of heavy goods movements away from patient areas.

Summary of Benefits

- 3.28 Provision of services locally without the need for patients, relatives or staff to travel to other parts of the UK for many years.
- 3.29 Provision of inpatient services that are fit for purpose in modern facilities in Morningside, a community with many assets.
- 3.30 An expansion of provision in the community.
- 3.31 Significantly better use of available resources.
- 3.32 Provision of facilities management and infrastructure improvements that both futures proof the site for utilities and enable Phase 3 to proceed without disruption to clinical services.

4 Key Risks

- 4.1 If the proposals are not agreed or delayed, patients continue to be cared for out of area and further referrals are made making repatriation more difficult and extended.
- 4.2 If the proposals are not agreed the costs of delivery are increased due to inflation.
- 4.3 If the assumptions are incorrect they may impact on the affordability of the revenue case. This is being tested with each inpatient service and each IJB prior to the OBC being submitted. The OBC will only progress if revenue affordability is confirmed.

5 Risk Register

5.1 This will be reviewed subject to agreement of the proposals by IJBs and NHSL.

6 Impact on Inequality, Including Health Inequalities

6.1 The new facilities will reduce inequalities through more local provision and provision of greater gender specific services.

7 Involving People

7.1 The redesign programmes for MH and LD have been inclusive.

8 Resource Implications

8.1 The estimated capital construction cost of the redevelopment is £35m excluding VAT. In light of the constrained national capital position, the Scottish Government have agreed to a revenue funded 'Design, Build, Finance, Maintain (DBFM)' contract through Hub. The costs for the estimated Annual Service Payment have been included in the current financial model, offset by a reduction in direct NHS Lothian property costs, and will be confirmed through the Hub design process. All other delegated service costs remain unaffected by the change in funding model.

8.2 The estimated annual running costs are £24m for these future service configurations with funding available of £24.3m, this includes the £6m UNPACS budgets. Table 4 below highlights overall the finance model for this development is revenue affordable. There will be ongoing review of this in line with the progression of the business case.

Overall Mental Health & Learning Disabilities			
Draft model as at April 2018			
			Total £k
Learning Disabilities			
Estimated Costs	Total Inpatient Costs		7,655
	Total Community & Specialist Teams Costs		5,416
	Total Community Places		4,230
	Total Annual Revenue Costs		17,301
Estimated Funding	Total LD Service Budgets		12,657
	Edinburgh Partnership Funding		585
	Depreciation, Facilities Budgets & Borders income		995
	Total Available Funding		14,237
Funding Benefit / (Gap)			-3,064
Mental Health			
Estimated Costs	Total Inpatient Costs		5,299
	Total Supplies Costs		1,402
	Total Annual Revenue Costs		6,701
Estimated Funding	Depreciation		344
	Total Rehab Service Budget Release		3,454
	Facilities Budgets		185
	Total Available Funding		3,983
Funding Benefit / (Gap)			-2,718
OVERALL	Estimated Costs	Total Annual Revenue Costs	24,002
	Estimated Funding	Total Available Funding	18,220
		UNPACS Release	6,162
	Funding Benefit / (Gap)		380

Table 4 – Finance Summary

- 8.3 The costs have been calculated based on a bottom up approach following discussion with clinical colleagues and will continue to be refined as the further certainty around the design of the building and the clinical models of care.
- 8.4 We will also continue to move toward the arrangement of operational risk share and the new IJB NRAC allocation methodology being developed.

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20 April 2018

Date: 1 May 2018

Agenda Item: 7

West Lothian Integration Joint Board

LOCAL CODE OF CORPORATE GOVERNANCE

REPORT BY STANDARDS OFFICER

A PURPOSE OF REPORT

To seek approval of a Local Code of Corporate Governance. The introduction of a Code based on the CIPFA/SOLACE Framework will enable the Board to formally review its arrangements for monitoring and reporting on corporate governance and bring those arrangements up to date. Up-to-date arrangements should, in turn, assist the Board in meeting its Corporate Plan priorities and objectives.

B RECOMMENDATIONS

1. To note the requirements, purposes and value of a Code of Corporate Governance for the Board
2. To note the recommendation of the Audit, Risk & Governance Committee that the Code should be adopted and implemented as part of the Board's governance arrangement and controls
3. To adopt the Code of Corporate Governance in Appendix 1 with immediate effect
4. To note the proposed monitoring and reporting arrangements

C TERMS OF REPORT

1 Background

- 1.1 The legislation under which the Board was established brings it into the financial and accounting regime that applies to local authorities. That means that the Board has to observe relevant proper accounting practices. Those include requirements of statute, guidance, custom and generally accepted good practice. They cover internal audit and governance arrangements as well as financial accounting. The Integration Scheme contained an undertaking to develop and adopt rules and procedures designed to promote and ensure good governance arrangements. Many of those arrangements have already been made. One aspect of accounting compliance and good practice which is not yet in place is the adoption of an over-arching Local Code of Corporate Governance.

- 1.2 On 6 January 2017 the Audit, Risk & Governance Committee considered an internal audit report of the Board's governance arrangements. One of the areas for improvement was in relation to a Local Code of Corporate Governance. An improvement action was agreed and that was reflected in the Annual Governance Statement approved in June 2017. Completion had already been timetabled and was to be monitored through the Audit Risk & Governance Committee.
- 1.3 On 28 March 2017 the Audit, Risk & Governance Committee considered a final draft version of the Board's Code and proposed assessment and reporting arrangements. This followed its earlier consideration of the basis and proposed structure for the Code. The committee has agreed that the draft should be submitted to the Board for approval and for adoption for immediate use.

2 Corporate governance

- 2.1 Broadly, governance comprises the arrangements put in place to ensure that the intended outcomes for stakeholders are defined and achieved. It is about the systems which make sure these things can be done, that they can be done well and that they can be done in an open, transparent and accountable way. It is recognised that both governing bodies and individuals working for public sector entities must try to achieve their entity's objectives while acting in the public interest at all times. Acting in the public interest implies primary consideration of the benefits for society, which should result in positive outcomes for service users and other stakeholders.
- 2.2 The Board itself is the governing body which carries ultimate responsibility for achieving good standards of corporate governance. It receives assurance in relation to that obligation through the activities of its committees and officers.
- 2.3 It is recognised that good governance leads to good management, good performance, good stewardship of public money, good public engagement and, ultimately, good outcomes.

3 Framework and guidance

- 3.1 The framework for corporate governance arrangements for the Board is now the "Delivering Good Governance in Local Government Framework (2016)" produced by CIPFA (Chartered Institute of Public Finance and Accountancy) and SOLACE (Society of Local Authority Chief Executives). It is supplemented by a set of "Guidance Notes for Scottish Authorities".
- 3.2 The Framework includes a modified and updated definition and description of governance:-
 - Governance comprises the arrangements put in place to ensure that the intended outcomes for stakeholders are defined and achieved
 - To deliver good governance in the public sector, both governing bodies and individuals working for public sector entities must try to achieve their entity's objectives while acting in the public interest at all times
 - Acting in the public interest implies primary consideration of the benefits for society, which should result in positive outcomes for service users and other stakeholders

- 3.3 The Framework is to help the organisation in taking responsibility for developing and shaping an informed approach to governance, aimed at achieving the highest standards in a measured and proportionate way. The Framework is intended to assist the organisation in reviewing and accounting for its own unique approach. The adoption of a Code is not an end in itself. The Code is designed to record the principles of good governance under which the Board will operate. It sets out the evidence the Board will use to assess its compliance. It allows that assessment to be carried out and reported. It enables areas of weakness or concern to be identified and appropriate actions designed and implemented.

4 The proposed Code

- 4.1 A local code should be based on the framework and should be a tool for measuring and demonstrating the degree of the Board's compliance with the standards it sets out. The final version of the proposed Code is in the appendix. It follows the 2016 CIPFA/SOLACE Framework and Guidance and the accompanying "Guidance Notes for Scottish Authorities".
- 4.2 There is a hierarchy in the Framework built around seven over-arching principles of good governance. Beneath those principles there are further sub-divisions in a hierarchy, at the bottom of which sit specific standards against which compliance with the Code can be measured. The Framework sets out seven principles as the top layer in the hierarchy. The seven principles are:-
- A. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law
 - B. Ensuring openness and comprehensive stakeholder engagement
 - C. Defining outcomes in terms of sustainable economic, social, and environmental benefits
 - D. Determining the interventions necessary to optimise the achievement of the intended outcomes
 - E. Developing the entity's capacity, including the capability of its leadership and the individuals within it
 - F. Managing risks and performance through robust internal control and strong public financial management
 - G. Implementing good practices in transparency, reporting, and audit to deliver effective accountability
- 4.3 There is a narrative description of each principle. Each is broken down into its constituent elements, by reference to the words used in the principle itself. These are "sub-principles" and these are listed under (1), (2), etc. These are deconstructed further, by illustrations and descriptions of appropriate behaviour and practices. These are listed under (a), (b), etc. Finally, there is a non-exhaustive list of some suggested sources or types of possible evidence on which an assessment may be based.

5 Using the Code

- 5.1 The Code is designed to help the Board take responsibility for developing and shaping an informed approach to governance. It is aimed at achieving the highest standards in a measured and proportionate way. It is intended to assist the Board in reviewing and accounting for its own unique approach to decision-making and accountability. It is a tool to help decision-making and not an end in itself.
- 5.2 The Board should test its governance arrangements against the principles contained in the Framework by:-
- reviewing existing governance arrangements
 - developing and maintaining an up-to-date local code of governance, including arrangements for ensuring ongoing effectiveness
 - reporting publicly on compliance with their own code on an annual basis and on how they have monitored the effectiveness of their governance arrangements in the year and on planned changes
- 5.3 The arrangements proposed for the assessment and reporting process are at the end of the Code in the appendix. They are designed to ensure there is close attention to compliance without imposing an undue burden of work on members and officers. The most significant area for reporting is on concerns, weaknesses and areas for improvement. After the assessment is carried out the results will be used to inform the Board's annual governance statement which is approved and submitted as part of the Board's unaudited accounts. Actions will be identified with responsible officers and timescales allocated. Progress and completion will be monitored through the management team and the committee.

6 Next steps and reporting

- 6.1 After adoption of the new Code, the next steps will be:-
- Assessment against the Code and consideration by officers
 - Approval of the annual governance statement informed by and based on the Code and the officers' assessment
 - Report to the Audit, Risk & Governance Committee on compliance and areas of concern
 - Report to the Board on the same matters with recommendations from the committee
 - Consideration of external auditors' annual report including the annual governance statement and governance aspects as part of their "wider aspect" reporting, first by committee and then by the Board
- 6.2 The Code and reporting arrangements will be subject to a formal review at the same time as Standing Orders and other governance documents are reviewed.
- 6.3 The assessment and reporting process will be capable of checking by Internal Audit.

D CONSULTATION

Audit, Risk & Governance Committee; Internal Auditor

E REFERENCES/BACKGROUND

- 1 Public Bodies (Joint Working) (Scotland) Act 2014, section 13
- 2 Local Government (Scotland) Act 1973, Part 7
- 3 Local Government in Scotland Act 2003, Part 1
- 4 Integration Scheme, pages 6 and 7
- 5 “Delivering Good Governance in Local Government - Framework (CIPFA/SOLACE, 2016)
- 6 “Delivering Good Governance in Local Government - Guidance Notes for Scottish Authorities (CIPFA/SOLACE, 2016)
- 7 West Lothian Integration Joint Board Audit, Risk & Governance Committee, 11 October 2017, 24 January 2018 and 28 March 2018

F APPENDICES

Draft Local Code of Corporate Governance

G SUMMARY OF IMPLICATIONS

Equality/Health The report has been assessed as having little or no relevance with regard to equality or the Public Sector Equality Duty. As a result, equality impact assessment has not been conducted. The relevance assessment can be viewed via the background references to this report.

National and Health Outcomes N/A

Strategic Plan Outcomes N/A

Single Outcome Agreement N/A

Impact on other Lothian IJBs None

Resource/finance None

Policy/Legal Public Bodies (Joint Working) (Scotland) Act 2014; Public Bodies (Joint Working) (Integration Joint Boards) (Scotland) Order 2014; Board’s Standing Orders

Risk Poor governance arrangements may result in unsound decision-making and poor performance and outcomes

H CONTACT

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1 May 2018

APPENDIX 1

WEST LOTHIAN INTEGRATION JOINT BOARD – LOCAL CODE OF CORPORATE GOVERNANCE

A. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law

Local government organisations are accountable not only for how much they spend, but also for how they use the resources under their stewardship. This includes accountability for outputs, both positive and negative, and for the outcomes they have achieved. In addition, they have an overarching responsibility to serve the public interest in adhering to the requirements of legislation and government policies. It is essential that, as a whole, they can demonstrate the appropriateness of all their actions across all activities and have mechanisms in place to encourage and enforce adherence to ethical values and to respect the rule of law.

A1. Behaving with integrity		
(a) Ensuring members and officers behave with integrity and lead a culture where acting in the public interest is visibly and consistently demonstrated thereby protecting the reputation of the organisation		
(b) Ensuring members take the lead in establishing specific standard operating principles or values for the organisation and its staff and that they are communicated and understood. These should build on the Seven Principles of Public Life (the Nolan Principles)		
(c) Leading by example and using the above standard operating principles or values as a framework for decision making and other actions		
(d) Demonstrating, communicating and embedding the standard operating principles or values through appropriate policies and processes which are reviewed on a regular basis to ensure that they are operating effectively		
Evidence	Comments	Rating
Code of Conduct		
Register of Interests		
Role descriptions for members		
Declarations of Interest as standing item and recorded in minutes		
Standing Orders for meeting procedures, including conduct at meetings		
Meetings held in private only with legal justification and to least extent possible, and minutes record reasons		
Reports on standard template ensuring relevant information provided		
Engagement in community planning		
Values and mission statement adopted		
Anti-fraud and corruption policy and procedures		
Whistleblowing policy and procedures		
Strategic Plan outcomes		

APPENDIX 1

A1. Behaving with integrity		
Training on ethical standards and conduct		
Officer Codes of Conduct and declarations of interest		
Local Code of Corporate Governance		
Audit, Risk & Governance Committee		
Internal Audit Service (PSIAS)		
Annual Governance Statement		

A2. Demonstrating strong commitment to ethical values		
(a) Seeking to establish, monitor and maintain the organisation's ethical standards and performance		
(b) Underpinning personal behaviour with ethical values and ensuring they permeate all aspects of the organisation's culture and operation		
(c) Developing and maintaining robust policies and procedures which place emphasis on agreed ethical values		
(d) Ensuring that external providers of services on behalf of the organisation are required to act with integrity and in compliance with ethical standards expected by the organisation		
Evidence	Comments	Rating
Code of Conduct		
Register of Interests		
Declarations of Interest as standing item and recorded in minutes		
Standing Orders for meeting procedures, including conduct at meetings		
Reports on standard template ensuring relevant information provided		
Values and mission statement adopted		
Anti-fraud and corruption policy and procedures		
Whistleblowing policy and procedures		
Strategic Plan outcomes		
Training on ethical standards and conduct		
Officer Codes of Conduct and declarations of interest		
Commissioning arrangement and Directions		

APPENDIX 1

A2. Demonstrating strong commitment to ethical values		
Ethical values feature in contracts with external service providers		
Officer performance appraisals include standards of conduct		

A3. Respecting the rule of law		
(a) Ensuring members and staff demonstrate a strong commitment to the rule of the law as well as adhering to relevant laws and regulations		
(b) Creating the conditions to ensure that the statutory officers, other key post holders, and members, are able to fulfil their responsibilities in accordance with legislative and regulatory requirements		
(c) Striving to optimise the use of the full powers available for the benefit of citizens, communities and other stakeholders		
(d) Dealing with breaches of legal and regulatory provisions effectively		
(e) Ensuring corruption and misuse of power are dealt with effectively		
Evidence	Comments	Rating
Reports on standard template include legal rules and statutory guidance		
Reports ensure demonstration that legal advice has been considered		
Standing Orders to ensure professional advice is given		
Defined committee remits and powers		
Scheme of Delegation to Officers		
Members' role descriptions		
Finance Officer role identified and supported (CIPFA's Statement on the Role of the Chief Financial Officer in Local Government (CIPFA, 2016)		
Committee support provided free of influence		
Record maintained of legal advice provided by officers		
Standards Officer		
Independent Internal Audit function (PSIAS)		
Anti-fraud and corruption policy and procedures		
Internal Audit Service (PSIAS)		
Locality Groups		

APPENDIX 1

A3. Respecting the rule of law		
Engagement/consultation strategy		

APPENDIX 1

B. Ensuring openness and comprehensive stakeholder engagement

Local government is run for the public good, organisations therefore should ensure openness in their activities. Clear, trusted channels of communication and consultation should be used to engage effectively with all groups of stakeholders, such as individual citizens and service users, as well as institutional stakeholders.

B1. Openness		
(a) Ensuring an open culture through demonstrating, documenting and communicating the organisation's commitment to openness		
(b) Making decisions that are open about actions, plans, resource use, forecasts, outputs and outcomes. The presumption is for openness. If that is not the case, a justification for the reasoning for keeping a decision confidential should be provided		
(c) Providing clear reasoning and evidence for decisions in both public records and explanations to stakeholders and being explicit about the criteria, rationale and considerations used. In due course, ensuring that the impact and consequences of those decisions are clear		
(d) Using formal and informal consultation and engagement to determine the most appropriate and effective interventions/ courses of action		
Evidence	Comments	Rating
Values and priorities		
FOISA/EIRS publication scheme		
Website		
Online service information		
Standing Orders		
Calendar of dates for submitting and publishing reports		
Assessment and review of information provided for decision-making		
Committee report templates		
Public engagement strategy		
Use of consultation feedback		
Record of professional advice in reaching decisions		
Record of decision making and supporting materials		
Meeting reports show details of advice given		
Equality impact assessment procedure		
Regular public performance reporting		
Annual performance report		
Complaints procedure		

APPENDIX 1

B1. Openness		

B2. Engaging comprehensively with institutional stakeholders		
(a) Effectively engaging with institutional stakeholders to ensure that the purpose, objectives and intended outcomes for each stakeholder relationship are clear so that outcomes are achieved successfully and sustainably		
(b) Developing formal and informal partnerships to allow for resources to be used more efficiently and outcomes achieved more effectively		
(c) Ensuring that partnerships are based on: trust, a shared commitment to change, a culture that promotes and accepts challenge among partners and that the added value of partnership working is explicit		
Evidence	Comments	Rating
Database of stakeholders with whom the IJB should engage		
Purpose and effectiveness reviewed		
Partnership guidance		
Review of effectiveness		

B3. Engaging with individual citizens and service users effectively		
(a) Establishing a clear policy on the type of issues that the organisation will meaningfully consult with or involve communities, individual citizens, service users and other stakeholders to ensure that service (or other) provision is contributing towards the achievement of intended outcomes		
(b) Ensuring that communication methods are effective and that members and officers are clear about their roles with regard to community engagement		
(c) Encouraging, collecting and evaluating the views and experiences of communities, citizens, service users and organisations of different backgrounds including reference to future needs		
(d) Implementing effective feedback mechanisms in order to demonstrate how views have been taken into account		
(e) Balancing feedback from more active stakeholder groups with other stakeholder groups to ensure inclusivity		
(f) Taking account of the impact of decisions on future generations of tax payers and service users		

APPENDIX 1

B3. Engaging with individual citizens and service users effectively		
Evidence	Comments	Rating
Public engagement strategy		
Communications strategy		
Board and SPG membership		
Community planning		
Record of public consultations		
Use of consultation feedback		
Strategic needs assessment		
Locality Groups		
Strategic Plan		
Complaints procedure		

APPENDIX 1

C. Defining outcomes in terms of sustainable economic, social, and environmental benefits

The long-term nature and impact of many of local government's responsibilities mean that it should define and plan outcomes and that these should be sustainable. Decisions should further the organisation's purpose, contribute to intended benefits and outcomes, and remain within the limits of authority and resources. Input from all groups of stakeholders, including citizens, service users, and institutional stakeholders, is vital to the success of this process and in balancing competing demands when determining priorities for the finite resources available.

C1. Defining outcomes		
(a) Having a clear vision, which is an agreed formal statement of the organisation's purpose and intended outcomes containing appropriate performance indicators, which provide the basis for the organisation's overall strategy, planning and other decisions		
(b) Specifying the intended impact on, or changes for, stakeholders including citizens and service users. It could be immediately or over the course of a year or longer		
(c) Delivering defined outcomes on a sustainable basis within the resources that will be available		
(d) Identifying and managing risks to the achievement of outcomes		
(e) Managing service users' expectations effectively with regard to determining priorities and making the best use of the resources available		
Evidence	Comments	Rating
Goals, values and priorities		
Annual financial statement		
Directions to health board and council		
Performance recording, monitoring and reporting		
Strategic Plan		
Public engagement strategy		
Regular reporting on delivery of outcomes		
Annual report on delivery of outcomes		
Community Planning Partnership		
Risk Management strategy		
Risk management guidance and protocols		
Scrutiny of risk arrangements		
Audit Risk & Governance Committee		
Internal audit service (PSIAS)		
Best value duty		

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C2. Sustainable economic, social and environmental benefits		
(a) Considering and balancing the combined economic, social and environmental impact of policies and plans when taking decisions about service provision		
(b) Taking a longer-term view with regard to decision making, taking account of risk and acting transparently where there are potential conflicts between the organisation's intended outcomes and short-term factors such as the political cycle or financial constraints		
(c) Determining the wider public interest associated with balancing conflicting interests between achieving the various economic, social and environmental benefits, through consultation where possible, in order to ensure appropriate trade-offs		
(d) Ensuring fair access to services		
Evidence	Comments	Rating
Goals and values and priorities		
Financial strategy for mid to long term		
Strategic Plan		
Risk Management strategy		
Risk management guidance and protocols		
Scrutiny of risk arrangements		
Audit Risk & Governance Committee		
Use of consultation feedback		
Record of professional advice in reaching decisions		
Record of decision making and supporting materials		
Public sector Equality Duty reporting		
Equality impact assessment procedure		
Best value duty		

APPENDIX 1

D. Determining the interventions necessary to optimise the achievement of the intended outcomes

Local government achieves its intended outcomes by providing a mixture of legal, regulatory, and practical interventions (courses of action). Determining the right mix of these courses of action is a critically important strategic choice that local government has to make to ensure intended outcomes are achieved. They need robust decision-making mechanisms to ensure that their defined outcomes can be achieved in a way that provides the best trade-off between the various types of resource inputs while still enabling effective and efficient operations. Decisions made need to be reviewed frequently to ensure that achievement of outcomes is optimised.

D1. Determining interventions		
(a) Ensuring decision makers receive objective and rigorous analysis of a variety of options indicating how intended outcomes would be achieved and associated risks. Therefore ensuring best value is achieved however services are provided		
(b) Considering feedback from citizens and service users when making decisions about service improvements or where services are no longer required in order to prioritise competing demands within limited resources available including people, skills, land and assets and bearing in mind future impacts		
Evidence	Comments	Rating
Standing Orders		
Calendar of dates for submitting and publishing reports		
Assessment and review of information provided for decision-making		
Report templates		
Public engagement strategy		
Use of consultation feedback		
Options appraisal		
Financial strategy (mid to (long-term)		
Record of professional advice in reaching decisions		
Record of decision making and supporting materials		
Meeting reports show details of advice given		
Equality impact assessment procedure		

D2. Planning interventions

APPENDIX 1

D2. Planning interventions		
(a) Establishing and implementing robust planning and control cycles that cover strategic and operational plans, priorities and targets		
(b) Engaging with internal and external stakeholders in determining how services and other courses of action should be planned and delivered		
(c) Considering and monitoring risks facing each partner when working collaboratively, including shared risks		
(d) Ensuring arrangements are flexible and agile so that the mechanisms for delivering goods and services can be adapted to changing circumstances		
(e) Establishing appropriate key performance indicators (KPIs) as part of the planning process in order to identify how the performance of services and projects is to be measured		
(f) Ensuring capacity exists to generate the information required to review service quality regularly		
(g) Preparing budgets in accordance with objectives, strategies and the medium term financial plan		
(h) Informing medium and long term resource planning by drawing up realistic estimates of revenue and capital expenditure aimed at developing a sustainable funding strategy		
Evidence	Comments	Rating
Strategic Plan		
Strategic Planning Group		
Directions		
Calendar of dates for developing and submitting plans and reports		
Annual financial statement		
Communications strategy		
Risk Management strategy		
Risk management guidance and protocols		
Scrutiny of risk arrangements		
Financial Regulations		
Financial strategy (mid to long-term)		
Performance measures		
Performance monitoring and reporting		
Scrutiny of financial performance		
Scrutiny of service performance		

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D3. Optimising achievement of intended outcomes		
(a) Ensuring the medium term financial strategy integrates and balances service priorities, affordability and other resource constraints		
(b) Ensuring the budgeting process is all-inclusive, taking into account the full cost of operations over the medium and longer term		
(c) Ensuring the medium term financial strategy sets the context for ongoing decisions on significant delivery issues or responses to changes in the external environment that may arise during the budgetary period in order for outcomes to be achieved while optimising resource usage		
(d) Ensuring the achievement of 'social value' through service planning and commissioning		
Evidence	Comments	Rating
Mid to long term financial strategy		
Strategic Plan		
Directions		
Financial Regulations		
Budget monitoring reporting		
Commissioning Plans		
Financial planning with health board and council		

APPENDIX 1

E. Developing the entity's capacity, including the capability of its leadership and the individuals within it

Local government needs appropriate structures and leadership, as well as people with the right skills, appropriate qualifications and mindset, to operate efficiently and effectively and achieve intended outcomes within the specified periods. A local government organisation must ensure that it has both the capacity to fulfil its own mandate and to make certain that there are policies in place to guarantee that its management has the operational capacity for the organisation as a whole. Because both individuals and the environment in which an organisation operates will change over time, there will be a continuous need to develop its capacity as well as the skills and experience of individual staff members. Leadership in local government is strengthened by the participation of people with many different types of backgrounds, reflecting the structure and diversity of communities.

E1. Developing the entity's capacity		
(a) Reviewing operations, performance and use of assets on a regular basis to ensure their continuing effectiveness		
(b) Improving resource use through appropriate application of techniques such as benchmarking and other options in order to determine how resources are allocated so that defined outcomes are achieved effectively and efficiently		
(c) Recognising the benefits of partnerships and collaborative working where added value can be achieved		
(d) Developing and maintaining an effective workforce plan to enhance the strategic allocation of resources		
Evidence	Comments	Rating
Regular reviews of activities, outputs and planned outcomes		
Budget monitoring arrangements		
Capital Asset Strategy and Plan		
Benchmarking arrangements		
Partnership working		
Performance monitoring and reporting		
Benchmarking arrangements		
Officer appraisal arrangements		
Workforce development plan		
Succession planning		

E2. Developing the capability of the entity's leadership and other individuals

APPENDIX 1

E2. Developing the capability of the entity's leadership and other individuals		
(a) Developing protocols to ensure that officers and members have clear roles and relationships		
(b) Publishing a statement that specifies the types of decisions that are delegated and those reserved for the the governing body		
(c) Ensuring the Chair and the Director have clearly defined and distinctive leadership roles within a structure		
(d) Developing the capabilities of members and senior management to achieve effective leadership and to enable the organisation to respond successfully to changing legal and policy demands as well as economic, political and environmental changes and risks		
(e) Ensuring that there are structures in place to encourage public participation		
(f) Taking steps to consider the leadership's own effectiveness and ensuring leaders are open to constructive feedback		
(g) Holding staff to account through regular performance reviews which take account of training or development needs		
(h) Ensuring arrangements are in place to maintain the health and wellbeing of the workforce and support individuals in maintaining their own physical and mental wellbeing		
Evidence	Comments	Rating
Role descriptions for members		
Job descriptions for officers		
Liaison between Chair and Director		
Standing Orders		
Scheme of Delegations		
Financial Regulations		
Members' induction training		
Members; ongoing training		
Review of effectiveness of committees and other meetings		
Staff induction and training		
Officer appraisal arrangements		
Succession planning		
Communication strategy		
Public engagement strategy		
Locality Groups		

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F. Managing risks and performance through robust internal control and strong public financial management

Local government needs to ensure that the organisations and governance structures that it oversees have implemented, and can sustain, an effective performance management system that facilitates effective and efficient delivery of planned services. Risk management and internal control are important and integral parts of a performance management system and are crucial to the achievement of outcomes. Risk should be considered and addressed as part of all decision making activities. A strong system of financial management is essential for the implementation of policies and the achievement of intended outcomes, as it will enforce financial discipline, strategic allocation of resources, efficient service delivery and accountability. It is also essential that a culture and structure for scrutiny are in place as a key part of accountable decision making, policy making and review. A positive working culture that accepts, promotes and encourages constructive challenge is critical to successful scrutiny and successful service delivery. Importantly, this culture does not happen automatically, it requires repeated public commitment from those in authority.

F1. Managing risk		
(a) Recognising that risk management is an integral part of all activities and must be considered in all aspects of decision making		
(b) Implementing robust and integrated risk management arrangements and ensuring that they are working effectively		
(c) Ensuring that responsibilities for managing individual risks are clearly allocated		
Evidence	Comments	Rating
Risk management strategy/policy		
Risk register		
Internal Audit service		
Identification of actions		
Allocation of responsible officers		
Risk reporting to service management team		
Audit Risk & Governance Committee		
Risk Management Annual Plan		

F2. Managing performance
(a) Monitoring service delivery effectively including planning, specification, execution and independent post implementation review

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F2. Managing performance		
(b) Making decisions based on relevant, clear objective analysis and advice pointing out the implications and risks inherent in the organisation's financial, social and environmental position and outlook		
(c) Ensuring an effective scrutiny or oversight function is in place which provides constructive challenge and debate on policies and objectives before, during and after decisions are made thereby enhancing the organisation's performance and that of any organisation for which it is responsible		
(d) Providing members and senior management with regular reports on service delivery plans and on progress towards outcome achievement		
(e) Ensuring there is consistency between specification stages (such as budgets) and post implementation		
Evidence	Comments	Rating
Identification of outcomes in Strategic Plan		
Calendar of dates for submitting, publishing and distributing timely reports		
Agreement on the information that will be needed and timescales		
Committee remits and powers defined		
Publication of agendas, reports and minutes of meetings		
The role and responsibility for scrutiny has been established and is clear		
Agenda, reports and minutes of scrutiny meetings		
Establishment, recording and review of performance indicators		
Measurement of performance and recording of performance against indicators		
Training for members on performance and scrutiny		
Financial Regulations		
Benchmarking arrangements		
Public performance reporting		
Annual reports to the public		

F3. Robust internal control		
(a) Aligning the risk management strategy and policies on internal control with achieving objectives		
(b) Evaluating and monitoring risk management and internal control on a regular basis		

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F3. Robust internal control		
(c) Ensuring effective counter fraud and anti-corruption arrangements are in place		
(d) Ensuring additional assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control is provided by the internal auditor		
(e) Ensuring an audit committee or equivalent group/function, which is independent of the executive and accountable to the governing body 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		
Evidence	Comments	Rating
Internal Audit service (PSIAS)		
Risk management strategy/policy		
Risk register		
Local Code of Corporate Governance		
Annual review of system of internal control		
Annual governance statement		
Committee remits and powers defined		
Standards Officer		
Audit Risk & Governance Committee		
Anti-Fraud and Corruption Policy and procedures		
Training for members		

F4. Managing data		
(a) Ensuring effective arrangements are in place for the safe collection, storage, use and sharing of data, including processes to safeguard personal data		
(b) Ensuring effective arrangements are in place and operating effectively when sharing data with other bodies		
(c) Reviewing and auditing regularly the quality and accuracy of data used in decision making and performance monitoring		
Evidence	Comments	Rating
Designated data protection officer		

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F4. Managing data		
Data protection policies and procedures		
Data sharing agreements		
Data processing agreements		
IT/software protection		
Records Management compliance		
Procedures for responding to subject access requests		
Data breach procedure – reporting and risk assessment		
Annual compliance statements		
Publication scheme under FOISA/EIRS		
Reporting on data protection and information management		

F 5. Strong public financial management		
(a) Ensuring financial management supports both long term achievement of outcomes and short-term financial and operational performance		
(b) Ensuring well-developed financial management is integrated at all levels of planning and control, including management of financial risks and controls		
Evidence	Comments	Rating
Finance Officer role identified and supported (CIPFA's Statement on the Role of the Chief Financial Officer in Local Government, CIPFA, 2016)		
Financial Regulations		
Budget control and monitoring guidance		
Report template requires information on financial implications		
Mid to long-term financial strategy and planning		
Budget mentoring at Management Team		
Quarterly budget monitoring reports to members		
Identification and registering of financial pressures and risks		
Review of system of internal control		

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F 5. Strong public financial management		
External audit report		

APPENDIX 1

G. Implementing good practices in transparency, reporting, and audit to deliver effective accountability

Accountability is about ensuring that those making decisions and delivering services are answerable for them. Effective accountability is concerned not only with reporting on actions completed, but also ensuring that stakeholders are able to understand and respond as the organisation plans and carries out its activities in a transparent manner. Both external and internal audit contribute to effective accountability.

G1. Implementing good practice in transparency		
(a) Writing and communicating reports for the public and other stakeholders in a fair, balanced and understandable style appropriate to the intended audience and ensuring that they are easy to access and interrogate		
(b) Striking a balance between providing the right amount of information to satisfy transparency demands and enhance public scrutiny while not being too onerous to provide and for users to understand		
Evidence	Comments	Rating
Report templates		
Website		
Annual performance report		
Meeting agendas and reports and minutes		
Communications plan or strategy		
Engagement/consultation strategy		
Public sector equality reporting		
Equality impact assessments		

G2. Implementing good practices in reporting		
(a) Reporting at least annually on performance, value for money and stewardship of resources to stakeholders in a timely and understandable way		
(b) Ensuring members and senior management own the results reported		

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G2. Implementing good practices in reporting		
(c) Ensuring robust arrangements for assessing the extent to which the principles contained in this Framework have been applied and publishing the results on this assessment, including an action plan for improvement and evidence to demonstrate good governance (the annual governance statement)		
(d) Ensuring that this Framework is applied to jointly managed or shared service organisations as appropriate		
(e) Ensuring the performance information that accompanies the financial statements is prepared on a consistent and timely basis and the statements allow for comparison with other, similar organisations		
Evidence	Comments	Rating
Annual performance report		
Performance reporting to Board		
Annual governance statement		
Local Code of Corporate Governance		

G3. Assurance and effective accountability		
(a) Ensuring that recommendations for corrective action made by external audit are acted upon		
(b) Ensuring an effective internal audit service is in place, providing assurance with regard to governance arrangements and that recommendations are acted upon		
(c) Welcoming peer challenge, reviews and inspections from regulatory bodies and implementing recommendations		
(d) Gaining assurance on risks associated with delivering services through third parties and that this is evidenced in the annual governance statement		
(e) Ensuring that when working in partnership, arrangements for accountability are clear and the need for wider public accountability has been recognised and met		
Evidence	Comments	Rating
Internal audit service (PSIAS)		
Audit Risk & Governance Committee		
Commissioning plans		
Risk register		

APPENDIX 1

G3. Assurance and effective accountability		
Review of effectiveness of Board and committees		
Annual performance report		
Benchmarking		

Assessment of compliance

1. Officers will consider the suggested sources of evidence against each sub-principle (A1, A2, etc.) in the context of the over-arching principle (A, B, etc.).
2. They will look at the Board's compliance in three aspects:-
 - Approach – what must the Board do and what has the Board said it will do?
 - Implementation – is there evidence that the Board is doing that?
 - Review – are there appropriate arrangements to review approach and implementation?
3. They will provide a very brief commentary against each and will identify any areas of concern or room for improvement.
4. If a suggested source is not felt to be appropriate for the Board then they will add an explanation. Additional sources of evidence may be added.
5. Officers will rate each source under one of three categories:-
 - Exceeds standard
 - Meets standard
 - Requires improvement
6. For those rated as requiring improvement actions will be identified with responsible officers and appropriate timescales. Progress will be monitored and reported to the committee.

Date: 1 May 2018

Agenda Item: 8

West Lothian Integration Joint Board

REMIT OF AUDIT, RISK & GOVERNANCE COMMITTEE

REPORT BY STANDARDS OFFICER

A PURPOSE OF REPORT

To consider proposed amendments to the remit and powers of the Board's Audit, Risk & Governance Committee.

B RECOMMENDATIONS

1. To note and accept the recommendation of the Audit, Risk & Governance Committee that the Board consider amending the committee's remit and powers in response to an audit of the Board's risk management arrangements
2. To consider and agree the proposed changes to the committee's remit and powers as set out in the appendix to the report

C TERMS OF REPORT

1 Background

- 1.1 An audit of the Board's risk management arrangements was included in the 2017/18 internal audit plan. The Board's Internal Auditor also co-ordinates its risk management arrangements. It was therefore not possible for him to independently audit that activity. Through joint working arrangements, colleagues in Falkirk Council's Internal Audit Service were invited to conduct the audit.
- 1.2 The audit involved a review of the overall framework of control at a corporate level; the clarity of accountability arrangements and the roles and responsibilities of those involved in risk management; and the adequacy of arrangements for training and for ensuring the practical application of guidance.
- 1.3 The audit report was considered by the Board's Audit, Risk & Governance Committee on 28 March 2018. It is not included here since it has been dealt with by the committee as part of its delegated powers. It can be accessed as part of the meeting papers.

2 Findings

- 2.1 The report was very positive. It found:-
 - that there is clear corporate and senior management accountability for risk management

- that there is a comprehensive Policy and Strategy in place and roles and responsibilities have been communicated to the Board, the committee, and officers
 - that an agreed risk assessment methodology is in place that helps to ensure that risks are categorised and scored on a consistent basis
 - that “substantial assurance” could be given to the Board in relation to corporate risk management arrangements. That means that largely satisfactory risk, control, and governance systems are in place, but that there may be some scope for improvement.
- 2.2 The report did identify some areas for improvement. They relate to the wording of the Board’s Risk Management Policy and Strategy; a review of risk management training arrangements; and the committee’s remit and powers. The report included an action plan setting out agreed management actions and timescales for completion. The committee welcomed and accepted the report and agreed the proposed actions.

3 Action – Audit, Risk & Governance Remit

- 3.1 One agreed action is an updating of the committee’s remit and powers. The audit found that it does not specify the committee’s responsibilities set out in the Risk Management Policy and Strategy. It recommended that the remit should be updated to ensure consistency with the responsibilities from the Strategy.
- 3.2 It was agreed that a report be submitted before 30 June 2018 requesting that the Board agrees changes to the committee’s remit to align it with the Risk Management Strategy.
- 3.3 The proposed updated remit is shown in Appendix 1 to the report. The changes are underlined. Other committee responsibilities identified in the Strategy are already reflected elsewhere in the committee’s remit. A reference to a risk appetite statement has not been included since that has not been approved and is not intended to feature in the revised strategy and policy.

4 Additional change proposed

- 4.1 On 28 June 2017 the committee approved a set of principles underpinning the working relationships between the Lothian NHS Board Audit & Risk Committee and the Lothian Integration Joint Boards’ Audit & Risk Committees. No changes were proposed at that stage to the committee’s remit to reflect that decision.
- 4.2 The opportunity has now been taken to seek approval for a separate adjustment to the remit to give effect to the adoption of those Principles (paragraph 4).

D CONSULTATION

Audit, Risk & Governance Committee; Internal Auditor

E REFERENCES/BACKGROUND

Remit of Audit, Risk & Governance Committee - Integration Joint Board, 5 April 2016 and 5 December 2017

Risk Management Policy and Strategy - Integration Joint Board, 14 March 2017

Internal Audit Plan - Audit, Risk and Governance Committee, 31 March 2017

Internal Audit Principles - Audit, Risk and Governance Committee, 28 June 2017

Internal Audit of Risk Management - Audit, Risk and Governance Committee, 28 March 2018

F APPENDICES

Revised remit and powers of Audit, Risk & Governance Committee

G SUMMARY OF IMPLICATIONS

Equality/Health The report has been assessed as having little or no relevance with regard to equality or the Public Sector Equality Duty. As a result, equality impact assessment has not been conducted. The relevance assessment can be viewed via the background references to this report.

National Health and Wellbeing Outcomes N/A

Strategic Plan Outcomes N/A

Single Outcome Agreement N/A

Impact on other Lothian IJBs None

Resource/finance None

Policy/Legal Public Bodies (Joint Working) (Scotland) Act 2014; Public Bodies (Joint Working) (Integration Joint Boards) (Scotland) Order 2014; Board's Standing Orders

Risk Deficient or non-compliant Standing Orders may result in unsound decision-making

H CONTACT

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1 May 2018

APPENDIX

WEST LOTHIAN INTEGRATION JOINT BOARD

AUDIT RISK & GOVERNANCE COMMITTEE – REVISED REMIT

A REMIT AND POWERS

- 1 To review the effectiveness of the Board's framework of governance, risk management and internal control
- 2 To approve the annual risk based internal audit plan and monitor internal audit work against the plan
- 3 To consider the annual external audit plan
- 4 To approve the internal audit charter and monitor the independence and effectiveness of the internal audit function and the principles underpinning the working relationships between the Lothian NHS Board Audit & Risk Committee and the Lothian Integration Joint Board Audit & Risk Committees
- 5 To consider internal and external audit reports and receive assurance that agreed recommendations have been timeously and effectively implemented
- 6 In relation to the Board's annual accounts and financial statements, (a) to consider the unaudited annual accounts and governance statement on referral from the Board, and (b) to consider the audited annual accounts and external auditor's report and make recommendations to the Board when it meets to consider and approve them
- 7 To redirect internal audit resources as and when deemed appropriate
- 8 To review with officers, the adequacy of the policies and practices in operation to ensure compliance with relevant statutes, directions, standards or codes of corporate governance
- 9 To develop a culture of good corporate governance and to promote awareness of and compliance with the principles of good corporate governance
- 10 To give consideration to internal and external reports which identify issues in relation to corporate governance, to scrutinise action plans for compliance, and to ensure that such action plans are implemented by officers
- 11 To develop a culture of risk awareness and risk management
- 12 To review the risk management policy and the risk management strategy.
- 13 To review the risks included in the risk register and consider progress in mitigating risks
- 14 To consider the internal audit and external audit annual reports

- 15 To consider the Internal Auditor's annual report which includes an opinion on the Board's framework of governance, risk management and internal control
- 42 To review and monitor the Board's strategy and systems for the management of
16 risk and relevant reporting arrangements and ensure they are adequate and cost effective
- 43 To give consideration to internal and external reports which identify issues in
17 relation to risk and risk management, to scrutinise action plans for compliance, and to ensure that such action plans are implemented by management
- 44 To make recommendations to the Board on any matters within its remit or which
18 are otherwise referred to it by the Board
- 45 To require the attendance of the Director, Finance Officer and members of the
19 Board, and the provision of information held by the Board, for the purposes of discharging its remit

B MEMBERSHIP

- 1 Six members of the Board comprising two voting members appointed by NHS Lothian, two voting members appointed by West Lothian Council, and two non-voting members
- 2 The Chair and Vice-Chair of the Committee are to be appointed by the Integration Joint Board
- 3 The Chair of the Integration Joint Board may not be a member of the Committee

C QUORUM AND STANDING ORDERS

- 1 The quorum for any meeting of the committee shall be on half of its voting members
- 2 The Standing Orders adopted by the Board on 20 October 2015, as amended if applicable, shall apply to the meetings of the Committee

D SUBSTITUTES

- 1 Substitutes are permitted from the membership of the Integration Joint Board, but a voting member may not attend as a substitute for a non-voting member

E MEETINGS

- 1 The committee shall meet at least four times in each financial year on dates fixed either by the Board or by the committee itself

F REPORTING ARRANGEMENTS

- 1 Minutes of meetings are to be reported and approved at the next meeting of the Committee
- 2 Minutes of meetings are also to be reported to the Integration Joint Board for noting, either in draft form or as approved, depending on the date of the Board's next available meeting

16 February 2016	Initial remit and membership arrangements considered, adjourned to future meeting
5 April 2016	Expanded remit and powers approved, membership as above
5 December 2017	Paragraph A.6 amended to reflect committee's role in relation to consideration of annual accounts and audit report

West Lothian Integration Joint Board

Date: 1 May 2018

Agenda Item: 9

INFORMATION MANAGEMENT

REPORT BY DIRECTOR

A PURPOSE OF REPORT

To provide the Board with an update in relation to Records Management in compliance with the Public Records (Scotland) Act 2011 (PRSA); and the General Data Protection Regulation (GDPR) (Regulation) (EU) 2016/679, which comes into force on 25 May 2018.

B RECOMMENDATION

It is recommended that the Board:

1. Note that the Keeper of Records will write to IJBs to request their Record Management Plans in July 2018;
2. Note that the Keeper of Records will ask IJBs to submit their plans in November 2018;
3. Note that the General Data Protection Regulation (GDPR) will replace the Data Protection Act 1998 from 25 May 2018;
4. Note the key changes under GDPR and the implications to the Board; and
5. Agree to appoint the IJB Project Officer as an interim Data Protection Officer (with the support of the council's Information Strategy and Security Manager) from 25 May 2018 until a satisfactory arrangement is made for the long-term.

C TERMS OF REPORT

C1 Background

The Integration Joint Board creates new information and records as a consequence of strategic planning and the decision-making process. Effective management of this information ensures that the Board meets its statutory requirements in relation to managing and sharing information, as well as

maintaining public confidence and best practice.

At its meeting of 26 September 2017, the Board agreed to adopt West Lothian Council's Information Security Policy, Records Management Policy and Data Protection Policy to ensure ongoing compliance with legislation and regulation. Like the council and NHS Lothian, the Board is registered with the Information Commissioners Office as a data controller and is, therefore, subject to the same data protection laws as any other public body.

C2 Records Management Update

The council provides support to the Board by way of Committee Services, the Standards Officer and the Project Officer, therefore, most new information and records, including IJB corporate information, will be held on council systems. In line with guidance from the Keeper, this information will be managed in accordance with the records and information management policies and procedures of the council; links to these documents can be found at section E of this report.

All bodies named under the Schedule to the PRSA must on invitation provide the Keeper with a Records Management Plan (RMP) for his agreement that provides clear evidence that the authority is complying with its statutory records management obligations.

The Keeper's office has now indicated that in July 2018 the Keeper intends to invite the IJB to submit its Records Management Plan. Although July 2018 is the month the invitation will be issued, the plan itself is not expected until November 2018. The intervening period allows for engagement with the Keeper's assessment team, who are able to provide advice and assistance.

C3 General Data Protection Regulation (GDPR)

From 26 May 2018, the Data Protection Act 1998 will be replaced by the General Data Protection Regulation (GDPR) (Regulation) (EU) 2016/679, which will introduce new rules on how organisations collect and process personal data.

It aims to give individuals more power and control over their personal data by strengthening and unifying data protection for all EU individuals. The new Act will give individuals more rights and control over how their personal data is handled by organisations such as the IJB, Scottish Government, NHS Lothian and the council. Brexit will not affect the United Kingdom implementing this new legislation.

C4 GDPR Key Changes

Extended jurisdiction

GDPR applies to all companies processing the personal data of data subjects residing in the Union, regardless of location. It will apply to the processing of personal data by controllers and processors in the EU, regardless of whether the

processing takes place in the EU or not. The GDPR will also apply to the processing of personal data of data subjects in the EU by a controller or processor not established in the EU, where the activities relate to: offering goods or services to EU citizens (irrespective of whether payment is required) and the monitoring of behaviour that takes place within the EU.

Penalties

Organisations in breach of GDPR can be fined up to 4% of annual turnover or €20 Million (whichever is greater). This is the maximum fine that can be imposed for the most serious infringements e.g. not having sufficient customer consent to process data. There is a tiered approach to fines e.g. an organisation can be fined 2% for not having their records in order (article 28), not notifying the supervising authority and data subject about a breach or not conducting an impact assessment. It is important to note that these rules apply to both controllers and processors.

Consent

The conditions for consent have been strengthened, and companies will no longer be able to use long illegible terms and conditions full of legal speak. Consent must be clear and distinguishable from other matters and provided in an intelligible and easily accessible form, using clear and plain language. It must be as easy to withdraw consent as it is to give it.

Breach Notification

Breach notification will become mandatory in all member states where a data breach is likely to “result in a risk for the rights and freedoms of individuals”. This must be done within 72 hours of first having become aware of the breach. Data processors will also be required to notify their customers, the controllers, “without undue delay” after first becoming aware of a data breach.

Right to Access

Part of the expanded rights of data subjects outlined by the GDPR is the right for data subjects to obtain from the data controller confirmation as to whether or not personal data concerning them is being processed, where and for what purpose. The controller must provide a copy of the personal data, free of charge, in an electronic format.

Right to be Forgotten

The right to be forgotten entitles the data subject to have the data controller erase his/her personal data, cease further dissemination of the data, and potentially have third parties halt processing of the data. The conditions for erasure, as outlined in article 17, include the data no longer being relevant to original purposes for processing, or a data subjects withdrawing consent. It

should also be noted that this right requires controllers to compare the subjects' rights to "the public interest in the availability of the data" when considering such requests.

Data Portability

GDPR introduces data portability - the right for a data subject to receive the personal data concerning them, which they have previously provided in a 'commonly used and machine readable format' and have the right to transmit that data to another controller.

Privacy by Design

Privacy by design calls for the inclusion of data protection from the onset of the designing of systems, rather than an addition. More specifically, 'the controller shall implement appropriate technical and organisational measures in an effective way in order to meet the requirements of this Regulation and protect the rights of data subjects'. Article 23 calls for controllers to hold and process only the data absolutely necessary for the completion of its duties (data minimisation), as well as limiting the access to personal data to those needing to act out the processing.

Data Protection Officers

Currently, controllers are required to notify their data processing activities with local DPAs, which, for multinationals, can be a bureaucratic nightmare with most Member States having different notification requirements. Under GDPR it will not be necessary to submit notifications / registrations to each local DPA of data processing activities, nor will it be a requirement to notify / obtain approval for transfers based on the Model Contract Clauses (MCCs). Instead, there will be internal record keeping requirements, as further explained below, and DPO appointment will be mandatory only for those controllers and processors whose core activities consist of processing operations which require regular and systematic monitoring of data subjects on a large scale or of special categories of data or data relating to criminal convictions and offences. Importantly, the DPO:

- Must be appointed on the basis of professional qualities and, in particular, expert knowledge on data protection law and practices
- May be a staff member or an external service provider
- Contact details must be provided to the relevant Data Protection Authority
- Must be provided with appropriate resources to carry out their tasks and maintain their expert knowledge
- Must report directly to the highest level of management
- Must not carry out any other tasks that could result in a conflict of

interest.

C5 Implications for the Integration Joint Board

There are limited implications for the Integration Joint Board, which would not usually hold personal information.

Personal information relating to patients/clients

Where personal information is held and processed as part of functions delegated to the Board, this is likely to be by one of the parent organisations. For example, NHS Lothian hold patient records and some of this information may also be passed to council's Social Policy, if it is relevant to the patient's care needs.

Personal information relating to Board Members

Personal information is, however, collected that pertains to Board Members, for example, information that is part of the Register of Interests. This information is then held on a council system and processed by council officers supporting the Board, but it is the Board that is required to collect the information and so it is the Board that retains responsibility as 'data controller'. The council is acting as a 'data processor' for the Board so where there is a misuse or breach of personal data, it would be up to the Information Commissioners Office (ICO) to determine which organisation was responsible for the infringement.

Appointing a Data Protection Officer

The Board is not an employing body but like other organisations, is required to appoint a Data Protection Officer who meets the criteria set out in section C3 before 25 May 2018.

It is proposed that the IJB Project Officer will assume this role as a temporary measure with the support of the council's Information Strategy and Security Manager until a longer-term solution is found.

Personal information relating to stakeholders

Under the new Data Protection Act, the requirement for a privacy statement on communications is significantly enhanced and more information on any forms, paper and electronic, is required. This needs to include details of what is being processed, the legal basis for doing so, how long we keep information and who we share it with, along with a contact point for any queries regarding our processing of this data (the Data Protection Officer mentioned above).

This is relevant where the Board instructs officers of either parent organisation to engage with stakeholders on its behalf.

C6 Conclusion

At its meeting of 26 September 2017, the Board agreed to adopt the council's Information Security Policy, Records Management Policy and Data Protection

Policy in line with guidance from the Keeper of Records and in keeping with current provision of support to the Board. This will continue.

The Keeper of Records will invite the Board to submit its Records Management Plan in July 2018 and will expect these to be submitted by November 2018.

GDPR supercedes the Data Protection Act 1998 and comes into force on 25 May 2018. This brings in a number of key changes, as set out in section C4 of this report, including the requirement for the Board to appoint a Data Protection Officer. It is recommended that the Board appoint the IJB Project Officer to this role on an interim basis until more satisfactory arrangements are made.

D CONSULTATION

The report has been prepared in consultation with the council's Information Strategy and Security Manager.

E REFERENCES/BACKGROUND

1. IJB meeting of 26 September 2017
2. [WLC Information Security Policy](#)
3. [WLC Records Management Policy](#)
4. [WLC Data Protection Policy \(this policy is being revised to reflect GDPR\)](#)
5. [WLC GDPR Guide for Staff](#)

F APPENDICES

None

G SUMMARY OF IMPLICATIONS

Equality/Health	The report has been assessed as having little or no direct relevance with regard to equality or the Public Sector Equality Duty. As a result, an equality impact assessment has not been conducted.
National Health and Wellbeing Outcomes	None
Strategic Plan Outcomes	The recommendations support the delivery of the Integration Scheme.
Single Outcome Agreement	None

Impact on other Lothian IJBs	The IJBs will continue to share best practice on all matters covered in this report.
Resource/finance	Activities will be carried out within existing budgets.
Policy/Legal	Public Records (Scotland) Act 2011; General Data Protection Regulation (GDPR) (Regulation) (EU) 2016/679)
Risk	Minimal if compliance with legislation is regularly reviewed.

H CONTACT

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1 May 2018

WEST LOTHIAN INTEGRATION JOINT BOARD

Date: 1 May 2018

Agenda Item: 10

IJB 2017/18 FINANCE UPDATE**REPORT BY CHIEF FINANCE OFFICER****A PURPOSE OF REPORT**

The purpose of this report is to provide an update on the 2017/18 budget position for the IJB delegated health and social care functions, including an update on key risk areas.

B RECOMMENDATION

It is recommended the IJB:

1. Notes the forecast outturn for 2017/18 in respect of IJB Delegated functions
2. Notes the key risk areas set out in appendix 2.
3. Notes that NHS Lothian Finance and Resources Committee have agreed to provide additional in year resources to Lothian IJBs to ensure the health component of the budget breaks even in 2017/18

C TERMS OF REPORT**C.1 Introduction**

This report sets out the overall financial performance of the 2017/18 IJB delegated resources and provides a year end forecast which takes account of relevant issues identified across health and social care services.

Reporting on the performance of delegated resources is undertaken in line with the IJB's approved financial regulations and Integration Scheme

Budget monitoring of IJB delegated functions is undertaken by Finance teams within the council and NHS Lothian who have responsibility for working with budget holders to prepare information on financial performance. This is in line with the approved West Lothian Integration Scheme which notes that when resources have been delegated via Directions by the IJB, NHS Lothian and West Lothian Council apply their established systems of financial governance to the delegated functions and resources.

In terms of in year operational budget performance, the approved West Lothian Integration Scheme notes that the council and NHS Lothian are ultimately responsible for managing within budget resources available. However, it is vital that the IJB has oversight of the in year budget position as this influences the strategic planning role of the Board and highlights any issues that need to be taken account of in planning the future delivery of health and social care services.

C.2 2017/18 Summary Budget Outturn Forecast for IJB Delegated Functions

The forecast position in this report reflects the most recent NHS and council outturn position and is effectively an early draft outturn position for 2017/18. West Lothian Council is continuing to forecast an overall breakeven budget position for 2017/18, while NHS Lothian is forecasting an overspend of £1.486 million for IJB delegated functions.

	2017/18	2017/18	2017/08
	Budget £'000	Forecast £'000	Variance £'000
Core West Lothian Health Services	100,597	100,804	207
Share of Pan Lothian Hosted Services	22,026	21,785	(241)
Adult Social Care	69,190	69,190	0
Payment to IJB - Total	191,813	191,779	(34)
Notional Share of Acute Set Aside	33,249	34,769	1,520
Total Contribution	225,062	226,548	1,486

Appendix 1 provides further detail on the forecast position shown. As detailed above, an underspend of £34,000 is forecast on the payment to the IJB and an overspend of £1.520 million is forecast against the share of acute set aside resources attributed to West Lothian giving a combined overspend position of £1.486 million. This is an increase on the position previously reported to the Board when an overspend of £1.394 million was reported on the total contribution.

The position above takes account of a number of significant pressures across both West Lothian Council and NHS Lothian such as prescribing, junior medical staff costs, Accident and Emergency, Community Hospitals and the cost of care home placements for older people. It is important that plans are put in place to address the areas of overspend as part of prioritising and planning future resource use.

Various management actions are being progressed within the West Lothian Health Social Care Partnership and at a wider NHS Lothian level to manage spend within available resources. These include quality and efficiency prescribing initiatives which have achieved cost reductions, and improved workforce modelling and staffing models in areas such as junior medical staff and nursing to reduce the use of bank and agency staff.

A summary of the key risks and service pressures along with actions being progressed to mitigate the risks as well as information on in year and future year strategic risks, are attached in Appendix 2.

C.3 Action Agreed to Achieve a 2017/18 Breakeven Position

As stated in the previous 2017/18 Budget Update report to the IJB on 13 March 2018, significant assurance has been provided that the overall NHS Lothian budget for 2017/18 will breakeven. Taking account of this NHS Lothian Finance and Resources Committee agreed on 21 March that additional resources would be provided to IJBs to enable them to achieve a breakeven position against the health component of the budget. Such a corporate adjustment is consistent with last financial year and will have no additional impact on NHS Lothian achieving an overall breakeven position.

This position was endorsed by NHS Lothian Board at its meeting on 4 April 2018.

C.4 WL IJB 2017/18 Outturn Expenditure

Work is currently progressing on finalising the 2017/18 final year end expenditure for the IJB and this will be presented to the Board on 26 June as part of the Unaudited Annual Accounts.

D CONSULTATION

Relevant officers in NHS Lothian and West Lothian Council.

E REFERENCES/BACKGROUND

West Lothian Integration Scheme

F APPENDICES

Appendix 1 – IJB 2017/18 Budget Update

Appendix 2 – IJB Finance Risk Update

G SUMMARY OF IMPLICATIONS

Equality/Health	The report has been assessed as having little or no relevance with regard to equality or the Public Sector Equality Duty. As a result, equality impact assessment has not been conducted. The relevance assessment can be viewed via the background references to this report.
National Health and Wellbeing Outcomes	The 2017/18 budget resources delegated to the IJB will be used to support the delivery of outcomes.
Strategic Plan Outcomes	The 2017/18 budget resources delegated to the IJB will be used to support the delivery of the Strategic Plan.
Single Outcome Agreement	The 2017/18 budget resources delegated to the IJB will be used to support the delivery of the Single Outcome Agreement.
Impact on other Lothian IJBs	None.
Resource/Finance	The 2017/18 budget resources relevant to functions delegated to the IJB total £225 million. A breakeven position is anticipated for 2017/18 taking account of additional resources to be provided by NHS Lothian.
Policy/Legal	None.
Risk	There are a number of risks associated with health and social care budgets, which will require to be closely managed.

H CONTACT

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1 May 2018

WEST LoTHIAN INTEGRATION JOINT BOARD - 2017/18 BUDGET UPDATE**Month 11**

	2017/18 Budget £'000	2017/18 Forecast £'000	2017/18 Variance £'000
Core West Lothian Health Services			
Community AHPs	3,460	3,563	103
Community Hospitals	2,192	2,492	300
District Nursing	3,103	2,912	-191
General Medical Services	25,328	25,328	0
Mental Health	13,002	13,176	174
Other Core	9,963	9,325	-638
Prescribing	36,767	37,226	459
Resource Transfer	6,782	6,782	0
Core West Lothian Health Services - Total	100,597	100,804	207
Share of Pan Lothian Hosted Services			
Corporate Public Health	253	268	15
Hosted AHP Services	2,181	2,138	-43
Hosted GMS	1,812	1,842	30
Health Improvement Fund	194	194	0
Hospices	858	858	0
Learning Disabilities	3,087	3,168	81
Lothian Unscheduled Care Service	1,969	1,964	-5
Mental Health	296	297	1
Oral Health Services	3,393	3,285	-108
Other Hosted Services	-269	-320	-51
Hosted Psychology Service	1,498	1,438	-60
Hosted Rehabilitation Medicine	852	828	-24
Sexual Health	1,139	1,136	-3
Substance Misuse	1,768	1,871	103
Substance Misuse Sex Health Bbv	1,651	1,629	-22
UNPAC	1,344	1,189	-155
Share of Pan Lothian Hosted Services - Total	22,026	21,785	-241
Adult Social Care			
Learning Disabilities	16,064	15,992	-72
Physical Disabilities	6,292	6,309	17
Mental Health	2,972	3,006	34
Older Peoples Assessment and Care Mangement	28,611	28,696	85
Care Homes and Housing with care	7,679	7,966	287
Contracts and Commissioning	5,095	4,510	-585
Other Social Care Services	2,477	2,711	234
Adult Social Care - Total	69,190	69,190	0
PAYMENT TO IJB - TOTAL	191,813	191,779	-34
Notional Share of Acute Set Aside			
Accident and Emergency (Out Patients)	4,059	4,483	424
Cardiology	4,039	4,002	-37
Diabetes	493	537	44
Endocrinology	170	160	-10
Gastroenterology	1,935	2,140	205
General Medicine	6,158	6,460	302
Geriatric Medicine	4,743	4,711	-32
Infectious Disease	2,753	2,743	-10
Junior Medical	4,587	5,003	416
Therapies / Management	1,215	1,319	104
Other	250	301	51
Outpatients	105	98	-7
Rehabilitation Medicine	761	793	32
Respiratory Medicine	1,894	1,920	26
Wgh Surgery	87	99	12
Notional Share of Acute Set Aside - Total	33,249	34,769	1,520
TOTAL DELEGATED IJB FUNCTIONS	225,062	226,548	1,486

Appendix 2

IJB Finance Risk Update

Current Year Financial Risk

Risk Area	Value of Pressure	Impact / Action Required
Community Hospitals	£300,000	This is unchanged from the position reported previously. This is driven by high levels of bank staff usage to cover patient acuity, requirement for one to one care, vacancies and high sickness levels. Action required to be taken to manage cost of cover and use of locum staff.
Mental Health	£174,000	This is a return to the position reported at period 6. Local recruitment initiatives continue to be progressed for mental health nurses in an effort to reduce nurse bank and agency costs. This will continue to be closely monitored for the rest of the financial year.
Prescribing	£459,000	This is an increase of £185,000 from the position reported previously. GP prescribing costs have been lower than anticipated throughout the year, however ongoing volatility in prescribing costs makes it important that this area continues to be closely monitored. The implementation of Quality Initiative efficiency schemes and the release of non recurring flexibility have contributed towards the reduction of this pressure.
Substance Misuse	£103,000	This is an improvement of £31,000 from the position reported previously. It relates to a reduction in Scottish Government funding that has not been fully accounted for through cost reductions. Further measures to mitigate the recurring pressure require to be identified.
A&E Outpatients	£424,000	There is no material change from the position reported previously. The overspend primarily relates to agency nurses employed on a month to month basis to meet unfilled vacancies. The use of agency staff is anticipated to reduce as more permanent staff are recruited.
Gastroenterology	£205,000	This is unchanged from the position reported previously. This pressure is largely due to increasing patient numbers
General Medicine	£302,000	This is an improvement of £68,000 from the forecast position reported previously. This pressure is due to recruitment problems and high sickness absence levels along with increased acuity of a small number of patients. Action required to be taken to manage cost of cover and use of bank staff.
Junior Medical	£416,000	This is an improvement of £18,000 from the position reported previously. This pressure relates to the requirement for additional staff to deliver 7 day working, non-compliant rotas and the use of locum staff for trainee gaps. Action required to be taken to manage cost of cover and use of locum staff.
External Care Homes for Older People	£287,000	This is unchanged from the position reported previously. The pressure is driven by an increasing number of residents placed in care homes. Work is progressing to meet capacity demands within available resources to ensure that older people entering the care system receive the most appropriate and efficient form of care.

Appendix 2

Future Year Strategic Risks

Risk Area	Impact
Future Pay Awards	The lifting of the public sector pay cap and increased pay awards will have implications for both the council and health sides of the IJB. At this stage the Scottish Government have proposed pay awards for their staff, however confirmation of pay awards for other sectors will require consultation and negotiation with independent review bodies and unions.
Workforce Planning	Effective workforce planning will be important to ensuring health and social care services are delivered effectively and efficiently. Updates on workforce planning for health and social care functions will be considered further in future updates to the IJB.
National Care Home Rates	The National Care Home rate increase has now been confirmed at 3.39% which has been allowed for in the West Lothian Council budget model. Future year rate increases and negotiations will continue to be a risk going forward.
Future Years Savings	Both the council and Health have very challenging reduction targets for 2018/19 and future years. Failure to fully deliver on any element of the planned changes will put additional pressure on other areas.
Demographic Growth	Estimates have been made regarding demographic growth for adults requiring care provision. West Lothian is anticipated to have the highest growth in the elderly population, particularly over 75s. These demographic forecasts will result in increased financial pressure.
Living Wage	The new Scottish Living wage has been announced at a rate of £8.75 per hour. This represents an increase of 3.6%. The funding of future Living Wage increases will be a risk going forward.
Prescribing	A sustained level of ongoing growth and price increases have been included in the financial outlook, however there is potential for increases to be greater than expected. Local initiatives such as Scriptswitch as well as the Effective Prescribing funding will be important in controlling future spend.
GMS Contract	Financial implications of the new GMS contract are currently being assessed and will be considered further in future updates to the IJB.
Delayed Discharge	Management of the volume of delayed discharge will be essential going forward to enable new initiatives and deliver future reductions. However, this is dependent on capacity being available in community care and funding availability.
Carers Bill	The new Carers Act was fully implemented on 1 st April 2018. This requires local authorities to provide support to carers free of charge. It is anticipated that costs will increase as carers become more aware of their right to support under this new legislation. Additional funding has been allocated through an increase in Social Care funding and this will be used to offset additional costs incurred in assessing and supporting carers. However, at this stage it is too early to know if this will result in a financial pressure in 2018/19

West Lothian Integration Joint Board

Date: 1 May 2018

Agenda Item: 11

INTERNAL AUDIT PLAN 2018/19

REPORT BY INTERNAL AUDITOR

A PURPOSE OF REPORT

To inform the Integration Joint Board of the 2018/19 internal audit plan.

B RECOMMENDATION

It is recommended that the Integration Joint Board notes the 2018/19 internal audit plan, as approved by the Audit, Risk and Governance Committee on 28 March 2018.

C TERMS OF REPORT

The internal audit plan for 2018/19 sets out the planned internal audit work for the year to 31 March 2019 and is attached as an appendix.

The Public Sector Internal Audit Standards (PSIAS) require that a risk based audit plan be prepared. The internal audit plan therefore takes account of the Integration Joint Board's risks as set out in its risk register.

The purpose of the internal audit plan is to audit the Integration Joint Board's processes and ensure that effective controls are in place to mitigate the risks identified. It should be noted that separate internal audit arrangements are in place in relation to the operational arrangements within the council and health sides.

The 2018/19 internal audit plan was approved by the Audit, Risk and Governance Committee on 28 March 2018. The outcome of the internal audits included in the internal audit plan will be reported to the Audit, Risk and Governance Committee as a matter of course.

D CONSULTATION

Integration Joint Board Director, Chief Finance Officer, internal audit staff.

E REFERENCES/BACKGROUND

Report to Audit, Risk and Governance Committee 28 March 2018: Internal Audit Plan 2018/19

F APPENDICES

West Lothian Integration Joint Board Internal Audit Plan 2018/19.

G SUMMARY OF IMPLICATIONS

Equality/Health	The report has been assessed as having little or no relevance with regard to equality or the Public Sector Equality Duty. As a result, equality impact assessment has not been conducted.
National health and Well-Being Outcomes	Indirectly via the audit of key processes to determine their effectiveness.
Strategic Plan outcomes	Indirectly via the audit of key processes to determine their effectiveness.
Single Outcome Agreement	Indirectly via the audit of key processes to determine their effectiveness.
Impact on other Lothian Integration Joint Boards	None.
Resource/Finance	None.
Policy/Legal	None.
Risk	The internal audit plan aims to address key risks to the Integration Joint Board's objectives.

H CONTACT

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1 May 2018

**WEST LOTHIAN INTEGRATION JOINT BOARD
INTERNAL AUDIT PLAN
2018/19**

INTRODUCTION

- 1.1 The Local Authority Accounts (Scotland) Regulations 2014 require that the Integration Joint Board (IJB) operates a professional and objective internal audit service in accordance with recognised standards and practices in relation to internal auditing. Recognised standards and practices are those set out in the Public Sector Internal Audit Standards (PSIAS).
- 1.2 The internal audit service is delivered and developed in accordance with its purpose which, as set out in the Internal Audit Charter, is to provide assurance by independently reviewing the IJB's risk management, control and governance processes.
- 1.3 The PSIAS require that a risk based audit plan be prepared. This annual audit plan fulfils this requirement, and plays an important role in ensuring that the effectiveness of control over key risks is systematically reviewed.
- 1.4 The risk based internal audit plan is prepared with reference to the IJB's risk register and in consultation with IJB senior officers. As the IJB matures, this methodology will develop to include other factors, for example, consideration of external audit reports and the outcome of our own internal audit follow up work.
- 1.5 The PSIAS require that I explain how internal audit's resource requirements have been assessed, and also require me to provide an annual opinion on the council's framework of governance, risk management and control. I consider that the resource allocation as set out in the annual audit plan is sufficient to enable me to provide an annual opinion.
- 1.6 The PSIAS also require that I include in my plan my approach to using other sources of assurance. In addition to my internal audit work, in providing my annual evidence based opinion I will have regard to the work of the IJB's external auditor, which will be placed before the Audit Risk and Governance Committee as a matter of course.
- 1.7 Progress in completing the annual audit plan is reported to the IJB's Audit, Risk and Governance Committee.

Kenneth Ribbons
Internal Auditor

West Lothian Integration Joint Board

Annual Internal Audit Plan 2018/19

Audit Topic	Risk Register Reference	Risk	Audit Description	Estimated Days	Timescale
Sustainability of Primary Care	IJB010	Disruption of General Practitioner service provision.	A high level review of the controls in place within the IJB to mitigate this risk will be undertaken.	10	September 2018
Delayed Discharge	IJB011	Patients are not being discharged in a timely manner, resulting in poorer outcomes of care.	A high level review of the controls in place within the IJB to mitigate this risk will be undertaken.	10	December 2018
Workforce Planning Follow Up	IJB008	Agreed actions to reduce risk in relation to workforce planning are not implemented.	Follow up of previous internal audit recommendations in relation to workforce planning, as agreed by the Audit, Risk and Governance Committee on 24/1/18.	5	December 2018
Governance Follow Up	IJB001	Failure to meet key objectives, financial overspends or reputational damage.	Follow up of previous recommendations in relation to corporate governance.	5	December 2018
TOTAL				30	

West Lothian Integration Joint Board

Date: 1 May 2018

Agenda Item: 12

EXTERNAL AUDIT PLAN 2017/18

REPORT BY CHIEF FINANCE OFFICER

A PURPOSE OF REPORT

The purpose of this report is to inform the IJB of the external auditor's 2017/18 annual audit plan.

B RECOMMENDATION

It is recommended that the Board notes the external auditor's 2017/18 annual audit plan.

C TERMS OF REPORT

C.1 Background

In May 2016, the Accounts Commission appointed Ernst and Young (EY) as the IJB's external auditor for the five year period to 2020/21. EY's annual plan, which is appended, sets out the work they propose to undertake in relation to the 2017/18 audit and was reported to the IJB Audit, Risk and Governance Committee on 28 March 2018.

C.2 Annual Audit Plan

As set out in the EY audit plan, auditors in the public sector give an independent opinion on the 'truth and fairness' of the financial statements. The Annual Audit Plan sets out the proposed approach for the audit of the financial year ending 31 March 2018.

Section 1 of the report sets out the audit context that will inform the audit approach. This notes that Audit Scotland will be separately carrying out a second performance audit of Health and Social Care integration, due for publication in November 2018.

The approach to the audit of financial statements is set out in Section 2 along with significant risk areas identified for the current year. Section 3 of the plan sets out the wider scope audit areas of financial sustainability, financial management, governance and transparency and value for money. Financial sustainability and financial management have been identified as audit focus areas.

Section 4 of the plan sets out EY's timeline and deliverables. The auditors will aim to certify the annual accounts by the 30 September 2018. In terms of the audit fee, it is noted that there is anticipated to be a small reduction in the audit fee for 2017/18.

Appendices to the plan set out audit responsibilities, independence and objectivity requirements, and communications that will be provided to the IJB.

D CONSULTATION

Relevant officers in NHS Lothian and West Lothian Council.

E REFERENCES/BACKGROUND

Local Government (Scotland) Act 1973

Public Bodies (Joint Working) (Scotland) Act 2014

F APPENDICES

Ernst and Young Annual Audit Plan 2017/18

G SUMMARY OF IMPLICATIONS

Equality/Health	The report has been assessed as having little or no relevance with regard to equality or the Public Sector Equality Duty. As a result, equality impact assessment has not been conducted. The relevance assessment can be viewed via the background references to this report.
National Health and Wellbeing Outcomes	None.
Strategic Plan Outcomes	None.
Single Outcome Agreement	None.
Impact on other Lothian IJBs	None.
Resource/Finance	The expected audit fee is £24,000 for 2017/18.
Policy/Legal	Under the Local Government (Scotland) Act 1973, the Account Commission is responsible for appointing the external auditors of local government bodies including councils, joint boards and bodies falling within section 106 of the Act. The Public Bodies (Joint Working) (Scotland) Act 2014 specifies that Integration Joint Boards should be treated as if they were bodies falling within section 106 of the 1973 Act.
Risk	None

H CONTACT

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1 May 2018

**West Lothian
Integration Joint
Board
Annual Audit Plan
Year ending 31 March 2018**

Audit Committee – 28 March 2018

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About this report

This report has been prepared in accordance with Terms of Appointment Letter from Audit Scotland dated 31 May 2016 through which the Accounts Commission has appointed us as external auditor of West Lothian Integration Joint Board (the IJB) for financial years 2016/17 to 2020/21. We undertake our audit in accordance with the Local Government (Scotland) Act 1973 and our responsibilities as set out within Audit Scotland's Code of Audit Practice (the Code), issued on 26 May 2016.

This report is for the benefit of the IJB and is made available to the Accounts Commission, the Controller of Audit and Audit Scotland (together the Recipients). This report has not been designed to be of benefit to anyone except the Recipients. In preparing this report we have not taken into account the interests, needs or circumstances of anyone apart from the Recipients, even though we may have been aware that others might read this report.

Any party other than the Recipients that obtains access to this report or a copy (under the Freedom of Information Act 2000, the Freedom of Information (Scotland) Act 2002, through a Recipient's Publication Scheme or otherwise) and chooses to rely on this report (or any part of it) does so at its own risk. To the fullest extent permitted by law, Ernst & Young LLP does not assume any responsibility and will not accept any liability in respect of this report to any party other than the Recipients.

Complaints

If at any time you would like to discuss with us how our service to you could be improved, or if you are dissatisfied with the service you are receiving, you may take the issue up with Stephen Reid who is our partner responsible for services under appointment by Audit Scotland, telephone 0131 777 2839, email sreid2@uk.ey.com. If you prefer an alternative route, please contact Steve Varley, our Managing Partner, 1 More London Place, London SE1 2AF. We undertake to look into any complaint carefully and promptly and to do all we can to explain the position to you. Should you remain dissatisfied with any aspect of our service, or with how your complaint has been handled, you can refer the matter to Diane McGiffen, Audit Scotland, 4th Floor, 102 West Port, Edinburgh, EH3 9DN. Alternatively you may of course take matters up with our professional institute. We can provide further information on how you may contact our professional institute.

Purpose of this report

In accordance with the Local Government (Scotland) Act 1973, the Accounts Commission appointed EY as the external auditor of West Lothian Integration Joint Board (the IJB) for the five year period 2016/17 to 2020/21.

This Annual Audit Plan, prepared for the benefit of IJB management and the Audit Committee, sets out our proposed audit approach for the audit of the financial year ending 31 March 2018, the second year of our appointment. In preparing this plan, we have updated our understanding of the IJB through planning discussions with management, review of relevant documentation and committee reports, and our general understanding of the environment in which the IJB is currently operating.

After consideration by the IJB, the plan is provided to Audit Scotland and published on their website.

Scope and responsibilities

We undertake our audit in accordance with the Code of Audit Practice (the Code), issued by Audit Scotland in May 2016; International Standards on Auditing (UK); relevant legislation; and other guidance issued by Audit Scotland. The Code sets out the responsibilities of both the IJB and the auditor, more details of which are provided in Appendix A.

Financial statement audit

We are responsible for conducting an audit of the financial statements of the IJB. We will provide an opinion on the financial statements as to:

- Ø whether they give a true and fair view of the financial position of the IJB as at 31 March 2018 and its expenditure and income for the year then ended; and
- Ø whether they have been properly prepared in accordance with the Local Government (Scotland) Act 1973 and the 2017/18 Code of Practice on Local Authority Accounting in the United Kingdom.

We also review and report on the consistency of the other information prepared and published by the IJB along with its financial statements.

Wider scope audit

Our responsibilities extend beyond the audit of the financial statements. The Code requires auditors to provide judgements and conclusions on the four dimensions of wider-scope public audit. Our audit work over the wider scope audit dimensions compliments our financial statements audit.

Materiality

Planning materiality £2.1 million	Materiality has been set at £2.1 million, which represents approximately 1% of the base expenditure for the year.
Tolerable Error £1.6 million	Tolerable error has been set at £1.6 million, which represents 75% of materiality. We set at this level as there were no audit adjustments arising in the prior year financial statements.
Summary of uncorrected differences £0.1 million	We will report all uncorrected misstatements relating to the primary financial statements greater than £0.1 million. Other misstatements identified will be communicated to the extent that they merit the attention of the Audit Committee.

Key contacts

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Independence

We confirm that we have undertaken client and engagement continuance procedures, included in which is our assessment of our continuing assessment of our independence to act as your external auditor.

The following 'dashboard' summarises the significant accounting and auditing matters outlined in this report, providing an overview of our initial risk assessment and any change in risk profile in the year.

Financial statements audit

Risk / area of focus	Risk identified	Change from PY	Details
Risk of fraud in revenue and expenditure recognition	Fraud risk / Significant risk	No change	In accordance with ISA (UK) 240, we consider the presumed fraud risk in respect of improper income recognition. Due to the nature of funding to the IJB, we have rebutted the risk of fraud around this income. We extend our work to consider the recognition of expenditure, in accordance with Practice Note 10, issued by the Financial Reporting Council, as applicable to public sector audit.
Misstatements due to fraud or error	Fraud risk	No change	As identified in ISA (UK) 240, management is in a unique position to perpetrate fraud due to the ability to manipulate accounting records directly or indirectly and prepare fraudulent financial statements by overriding controls that would otherwise appear to be operating effectively.

Wider scope audit

Audit dimension	Risk identified	Change from PY	Details
Financial sustainability	Wider scope focus area	No change	The IJB faces a challenging financial position with significant savings required to be made through transformational change over the next five years.
Financial management	Wider scope focus area	No change	As the IJB budget monitoring reports are currently forecasting an overspend for 2017/18, with further management action required by the partners in conjunction with the IJB, we have identified this as a continuing area of specific focus.
Governance & transparency	No specific risk focus	No change	No specific risk identified in this area, but we will update our understanding of the development and review of key strategies to support the IJB's operations. Our audit procedures also include consideration of the annual governance statement in the IJB's financial statements.
Value for Money	No specific risk focus	No change	No specific risk identified in respect of this audit dimension. We will link our work in this area to that performed as part of the auditor return for the second national performance report into health and social care integration.

1. Audit context

In accordance with the principles of the Code, our audit work considers key developments in the sector. We obtain an understanding of the strategic environment in which the IJB operates to inform our audit approach.

Local government environment

The Accounts Commission published their Local government in Scotland: Financial overview 2016/17 report in November 2017. Part 3 of this report focussed on the financial outlook facing local authority bodies. The Commission's key message was that the environment remains challenging, with further real-terms reductions in funding and a range of cost and demand pressures on budgets.

Key messages included:

- Ø In total, councils approved savings of £317 million in setting budgets for 2017/18 along with the use of £105 million of reserves. It was noted that for certain councils, the application of reserves in this way to fund services could lead to them running out of general fund reserves, unless remedial action is taken successfully.
- Ø Robust medium-term financial strategies and savings plans are increasingly critical to financial sustainability.
- Ø Strong leadership is increasingly important and it is essential that members work effectively with officers, their partners and other stakeholders to identify and deliver necessary savings.
- Ø Engagement with local communities is important when planning and delivering services and identifying savings.

Similarly, the Auditor General for Scotland produces an annual overview of the NHS in Scotland with the most recent report issued in November 2017. The report notes that while the challenges facing the NHS in terms of increasing costs, growing demand and the continued pressure on public finances are not new and have been reported before, the impact on the NHS in Scotland is intensifying. The report notes that there is evidence that Scotland's health is not improving and significant inequalities remain, with warning signs that maintaining the quality of care is increasingly difficult.

A key message of the report is that healthcare is likely to look very different in future. Health and social care integration marks a significant change in how the different parts of the health and social care system work together and how the Scottish public will access and use services in future. The report recognises that the scale, complexity and inter-dependencies of health and social care make achievement of the required changes a long-term undertaking.

The report makes a number of recommendations for the Scottish Government, NHS Boards and also integration authorities. The detail of these, within the context of the report, can be found at:

http://www.audit-scotland.gov.uk/uploads/docs/report/2017/nr_171026_nhs_overview.pdf

Scrutiny

While there is no formal Shared Risk Assessment (SRA) process for integration authorities, the Local Area Network (LAN) for the associated local authority considers health and social care outcomes, governance and partnership working as part of their assessment of the local authority. We are also the appointed auditor of West Lothian Council and act as the LAN-lead for the West Lothian Council SRA. The 2016/17 Local Scrutiny Plan did not highlight any significant scrutiny risk in relation to areas associated with the IJB.

The process to agree the Local Scrutiny Plan for West Lothian Council for 2018/19 is currently in progress and is expected to be made public early in the new financial year.

Headwinds in the public sector

Within the 2017/18 audit planning guidance, Audit Scotland identified a number of risk areas currently impacting the public sector in Scotland.

EU Withdrawal	Continuing uncertainty exists around the detailed implications for the UK, and Scotland around EU withdrawal. While this continues, it is important for all public sector bodies to remain aware of, and consider the implications for them in areas such as funding, workforce and regulation.
Ending of the public sector pay cap	With the Scottish Government lifting the 1% pay cap, all audited bodies need to consider both the direct, and indirect, consequences on their budgets as a result of likely future pay increases.
Openness and transparency	There are signals of changing and more challenging expectations for openness and transparency in public business. In view of this direction of travel, Audit Scotland noted that 2016/17 annual audit reports highlighted the need for public bodies to keep this area under review and to consider whether there is scope to enhance transparency.
Scotland's new financial powers	The provisions of the 2012 and 2016 Scotland Acts and the accompanying Fiscal Framework agreement are leading to fundamental changes to the Scottish public finances. New tax raising, borrowing and social security powers provide the Scottish Parliament with more policy choice, but also mean the Scottish budget is subject to greater volatility, uncertainty and complexity. There is also a stronger link between the performance of the Scottish economy (relative to the rest of the UK) and available funding.
Response to cyber security risks	Audit Scotland has indicated their intention to issue further guidance in relation to this risk, setting out the risk context for public bodies, and the new cyber resilience requirements being introduced by the Scottish Government.

Our audit response:

We will engage with management to understand how these, and other risks, are identified and managed to the extent that they may directly affect the IJB, or whether sufficient assurance is obtained over the management of these risks by West Lothian Council and NHS Lothian.

Audit Scotland – National Study Programme

Audit Scotland carries out a national performance audit programme on behalf of the Accounts Commission. Audit Scotland ask us to ensure that local government bodies review the national studies relevant to them, which may also include joint studies under the remit of the Auditor General for Scotland, at a committee level and act on them accordingly.

In 2018, Audit Scotland are conducting their second performance audit of Health and Social Care Integration, due for publication in November this year. The scope of the second audit, as well as following up on previous recommendations and considering governance arrangements, will focus on how integration is changing the way services are planned and designed around the needs of local communities. This includes highlighting any early evidence of impact on the public.

Over the next couple of weeks we will be working with management over the completion of a data request from Audit Scotland to support their study.

2. Financial statements and accounting

2. Financial statements and accounting



The IJB's Annual Accounts enables the IJB to demonstrate accountability for, and its performance in the use of its resources. They are prepared in accordance with proper accounting practice, which is represented by the 2017/18 Code of Practice on Local Authority Accounting in the United Kingdom.

Audit opinion

We are responsible for conducting an audit of the financial statements of the IJB. We will provide an opinion on the financial statements as to:

- Ø whether they give a true and fair view of the financial position of the IJB and its group as at 31 March 2018 and its expenditure and income for the year then ended; and
- Ø whether they have been properly prepared in accordance with the Local Government (Scotland) Act 1973 and the 2017/18 Code of Practice on Local Authority Accounting in the United Kingdom.

We also review and report on the consistency of the other information prepared and published by the IJB along with its financial statements.

Audit approach

We determine which accounts, disclosures and relevant assertions could contain risks of material misstatement. Our audit involves:

- Ø Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Ø Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the IJB's internal control.
- Ø Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Ø Concluding on the appropriateness of management's use of the going concern basis of accounting.
- Ø Evaluating the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Ø Obtaining sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the IJB to express an opinion on the consolidated financial statements. Reading other information contained in the financial statements, including the board's statement that the annual report is fair, balanced and understandable, the Audit Committee reporting appropriately addresses matters communicated by us to the Audit Committee and reporting whether it is materially inconsistent with our understanding and the financial statements; and
- Ø Maintaining auditor independence.
- Ø Substantive tests of detail of transactions and amounts. For 2017/18 we plan to follow a predominantly substantive approach to the audit as we have concluded this is the most efficient way to obtain the level of audit assurance required to conclude that the financial statements are not materially misstated.

2. Financial statements and accounting

Materiality

For the purposes of determining whether the financial statements are free from material error, in accordance with ISA (UK) 320 we define materiality as the magnitude of an omission or misstatement that, individually or in the aggregate, in light of the surrounding circumstances, could reasonably be expected to influence the economic decisions of the users of the financial statements. Our evaluation of it requires professional judgement and necessarily takes into account qualitative as well as quantitative considerations implicit in the definition. We would be happy to discuss with you your expectations regarding our detection of misstatements in the financial statements.

Gross expenditure on provision of services, excluding the 'gross-up' of income and expenditure for the Integration Joint Board = £226 million

Planning
materiality
£2.1 million

Planning materiality (PM) – the amount over which we anticipate misstatements would influence the economic decisions of a user of the financial statements. For planning purposes, materiality for 2017/18 has been set at £2.1 million. This represents approximately 1% of the IJB's projected expenditure for the year.

Tolerable Error
£1.6 million

Tolerable error (TE) – materiality at an individual account balance, which is set so as to reduce to an acceptably low level that the aggregate of uncorrected and undetected misstatements exceeds PM. We have set it at £1.6 million which represents 75% of planning materiality.

Summary of Audit
Differences
£0.1 million

Summary of Audit Differences (SAD) Nominal amount – the amount below which misstatements whether individually or accumulated with other misstatements, would not have a material effect on the financial statements. The Code requires that auditors report at no more than £0.25 million. We have set it at £0.1 million, which represents 5% of planning materiality.

Our evaluation requires professional judgement and so takes into account qualitative as well as quantitative considerations implied in the definition. Factors which we consider include the perspectives and expectations of users of the financial statements as well as our risk assessment as to the likelihood of material misstatements arising in the financial statements.

The amount we consider material at the end of the audit may differ from our initial determination. At the end of the audit we will form, and report to you, our final opinion by reference to all matters that could be significant to users of the financial statements, including the total effect of any audit misstatements, and our evaluation of materiality at that date.

2. Financial statements and accounting



We have set out the significant risks (including fraud risks) identified for the current year audit along with the rationale and expected audit approach. The risks identified below may change to reflect any significant findings or subsequent issues we identify during the audit.

Significant risk – risk of fraud in income and expenditure recognition

What is the risk?	Our identified response to the risk
<p>Under ISA 240 there is a presumed risk that income may be misstated due to improper recognition of income. In the public sector, this requirement is modified by Practice Note 10, issued by the Financial Reporting Council, which states that auditors should also consider the risk that material misstatements may occur by the manipulation of expenditure recognition.</p> <p>Given the nature of funding to the IJB from the Council or NHS body, we rebut the assumed fraud risk in respect of the income. For expenditure we associate the risk to the assurance over the existence and occurrence of expenditure incurred by the IJB in commissioning services by the Council and NHS Lothian.</p>	<ul style="list-style-type: none"> Ø Agree and discuss with management how the IJB gains assurance over the expenditure incurred by its partner bodies, so that it takes responsibility for the recognition of expenditure to those bodies. Ø Substantive testing of income and expenditure transactions as appropriate, and in particular in respect of any reserve funding held by the IJB. Ø Obtaining supporting documentation, or other forms of assurance through independent confirmation where appropriate of the expenditure incurred by the IJB's partners.

Significant risk – misstatement due to fraud or error

What is the risk?	Our identified response to the risk
<p>The financial statements, as a whole, are not free of material misstatements whether caused by fraud or error.</p> <p>As identified in ISA (UK) 240, management is in a unique position to perpetrate fraud because of its ability to manipulate accounting records directly or indirectly and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.</p> <p>We identify and respond to this fraud risk on every audit engagement.</p>	<ul style="list-style-type: none"> Ø Identifying fraud risks during the planning stages. Ø Inquiry of management about risks of fraud and the controls put in place to address those risks. Ø Understanding the oversight given by those charged with governance of management's processes over fraud. Ø Consideration of the effectiveness of management's controls designed to address the risk of fraud. Ø Determining an appropriate strategy to address those identified risks of fraud. Ø Performing mandatory procedures regardless of specifically identified fraud risks, including testing of journal entries and other adjustments in the preparation of the financial statements.

- Ø Significant risks identified in the audit relate to the risk of fraud in income and expenditure recognition. We also perform general procedures in all audits to respond to the risk of misstatement due to fraud or error caused by management override of controls.
- Ø We will report our findings in these areas to you within our 2017/18 Annual Audit Report.

3. Wider scope audit risks

3 Wider Scope Audit Risks



The Code sets out an expectation that 'significant' risks identified through our planning process that relate to the four wider scope dimensions of public audit, as identified in the Code, will be communicated with you. These are referred to in our report as 'Wider Scope Audit Focus Areas'.

Audit dimension	Risk assessment	Rationale and response
Financial sustainability considers the medium and longer term outlook to determine if planning is effective to support service delivery. This will focus on the arrangements to develop viable and sustainable financial plans.	Audit Focus Area	<p>We concluded in our work in the prior year that achieving financial sustainability continued to represent a significant challenge for the IJB. It did not carry forward reserves into 2017/18, and a number of existing budget pressures were known at the time the budget was approved.</p> <p>The IJB considered its financial plan for 2018/19 at its meeting on 13 March 2018, although it was noted that funding from NHS Lothian is still due to be considered by that body's finance and resources committee.</p> <p>The IJB is considering its longer term strategic and financial planning process and how to incorporate the transformational change requirements within future Directions. We will consider progress in this area as part of our audit work.</p>
Financial management considers the effectiveness of financial management arrangements, including whether there is sufficient financial capacity and resources, sound budgetary processes and whether the control environment and internal controls are operating effectively.	Audit Focus Area	<p>In-year financial reporting currently forecasts an overspend of £1.4 million on the budget, arising primarily from pressure on the set-aside budget. While a significant level of the savings identified as required for 2017/18 have been achieved, further management action is required by Partner bodies in partnership with the IJB to manage the 2017/18 budget pressures.</p> <p>We will review the outturn position against the forecasts produced during the year to inform our view on the robustness of financial management and monitoring information.</p>
Governance and transparency is concerned with the effectiveness of scrutiny and governance arrangements, leadership and decision making, and transparent reporting of financial and performance information.	No specific additional audit focus	<p>We have not identified a specific additional risk in respect of the IJB's governance arrangements. Our work for the year will consider:</p> <ul style="list-style-type: none"> Ø Progress against prior year audit recommendations. Ø Internal audit arrangements during 2017/18. Ø Reporting arrangements to committees during the year. Ø Development and review of key strategies to support the IJB's operations.
Value for money considers whether value for money can be demonstrated in the use of resources. This includes the extent to which there is an alignment between spend, outputs and outcomes delivered and that there is a clear focus on improvement.	No specific additional audit focus	<p>We have not identified a specific additional risk in respect of the IJB's arrangements. From our 2016/17 audit work, we recommended that further consideration was made into setting medium term targets for key performance indicators. We will link our work in this area to that performed as part of the auditor return for the second national performance report into health and social care integration.</p>

4. Timing and deliverables; fees

4. Timing and deliverables

We deliver our audit in accordance with the timeline set by the IJB, in accordance with guidance from Audit Scotland. Below is a timetable showing the key stages of the audit and the deliverables we have agreed to provide to you through the audit cycle in 2017/18.

	Audit Activity	Deliverable	Expected Timing
JAN			
FEB			
MAR	Ø Audit planning and setting scope and strategy for the 2017/18 audit	Annual Audit Plan	28 March 2018
APR	Ø Completion and agreement of data return for the second Audit Scotland health and social care integration performance audit	Auditor Data Return	2 April 2018
MAY			
JUN			
JUL	Ø Year-end substantive audit fieldwork on unaudited financial statements	Certify Annual Financial Statements	30 September 2018
AUG	Ø Conclude on results of audit procedures	Issue Annual Audit Report	
SEP	Ø Issue opinion on the IJB's financial statements		

4. Fees



The audit fee is determined in line with Audit Scotland's fee setting arrangements, set out in recent communications to all audited bodies in line with their publication on '*Our Approach to setting audit fees*' (http://www.audit-scotland.gov.uk/uploads/docs/um/audit_fee_approach.pdf).

Audit fees		
Component of fee:	2017/18	2016/17
<i>Auditor remuneration – expected fee</i>	<i>£16,470</i>	<i>n/a</i>
Total agreed auditor remuneration	£16,470	£19,800
Audit Scotland fixed charges:		
Pooled costs	£1,460	£1,040
Performance audit and best value	£5,020	£3,790
Audit support costs	£1,050	£710
Total fee	£24,000	£25,340

The expected fee for each body, which for 2017/18 has been set centrally by Audit Scotland, assumes that it has sound governance arrangements in place and operating effectively throughout the year, prepares comprehensive and accurate draft financial statements and meets the agreed timetable for the audit. It also assumes there is no major change in respect of the scope of work in the year.

Fees can be agreed between the auditor and audited body by varying the auditor remuneration by up to 10% above the level set, for example, where significant local issues require additional work to be undertaken. The prior year fees were agreed direct between ourselves and management as it was the first year of operation of the IJB.

Appendices

- A – Code of Audit Practice: responsibilities**
- B – Required communications with the audit committee**
- C – Auditor independence**

The Code of Audit Practice (the Code) summarises the responsibilities on all audited bodies falling within the public sector audit framework. We summarise these on this page.

Responsibilities of audited bodies	
Corporate governance	Each body, through its chief executive or accountable officer, is responsible for establishing arrangements to ensure the proper conduct of its affairs including the legality of activities and transactions, and for monitoring the adequacy and effectiveness of these arrangements. Audited bodies should involve those charged with governance (including audit committees or equivalent) in monitoring these arrangements.
Financial statements and related reports	<p>Audited bodies must prepare an annual report and accounts containing financial statements and other related reports. They have responsibility for:</p> <ul style="list-style-type: none"> • preparing financial statements which give a true and fair view of their financial position and their expenditure and income, in accordance with the applicable financial reporting framework and relevant legislation. • maintaining accounting records and working papers that have been prepared to an acceptable professional standard and support their financial statements and related reports disclosures. • ensuring the regularity of transactions, by putting in place systems of internal control to ensure that they are in accordance with the appropriate authority. • maintaining proper accounting records. • preparing and publishing, along with their financial statements, an annual governance statement, management commentary (or equivalent) and a remuneration report that are consistent with the disclosures made in the financial statements. Management commentary should be fair, balanced and understandable and also clearly address the longer-term financial sustainability of the body. <p>Management, with the oversight of those charged with governance, should communicate clearly and concisely relevant information to users about the entity and its financial performance, including providing adequate disclosures in accordance with the applicable financial reporting framework.</p> <p>Audited bodies are responsible for developing and implementing effective systems of internal control as well as financial, operational and compliance controls. These systems should support the achievement of their objectives and safeguard and secure value for money from the public funds at their disposal. They are also responsible for establishing effective and appropriate internal audit and risk-management functions.</p>
Standards of conduct / prevention and detection of fraud and error	Audited bodies are responsible for establishing arrangements for the prevention and detection of fraud, error and irregularities, bribery and corruption and also to ensure that their affairs are managed in accordance with proper standards of conduct by putting proper arrangements in place.
Financial position	<p>Audited bodies are responsible for putting in place proper arrangements to ensure that their financial position is soundly based having regard to:</p> <ul style="list-style-type: none"> • such financial monitoring and reporting arrangements as may be specified • compliance with any statutory financial requirements and achievement of financial targets • balances and reserves, including strategies about levels and their future use • how they plan to deal with uncertainty in the medium and longer term • the impact of planned future policies and foreseeable developments on their financial position.
Best Value	<p>Local authority bodies have a statutory duty, under the Local Government (Scotland) Act 1973 and associated statutory guidance, to make arrangements to secure best value through the continuous improvement in the performance of their functions.</p> <p>Specified audited bodies also have to prepare and publish performance information in accordance with directions issued by the Accounts Commission.</p>

The FRC Ethical Standard and ISA (UK) 260 "Communication of audit matters with those charged with governance", requires us to communicate with you on a timely basis on all significant facts and matters that bear upon our integrity, objectivity and independence. The Ethical Standard, as revised in June 2016, requires that we communicate formally both at the planning stage and at the conclusion of the audit, as well as during the course of the audit if appropriate. The aim of these communications is to ensure full and fair disclosure by us to those charged with your governance on matters in which you have an interest.

Required communications

Planning stage	Final stage
<ul style="list-style-type: none"> ▶ The principal threats, if any, to objectivity and independence identified by Ernst & Young (EY) including consideration of all relationships between the you, your affiliates and directors and us; ▶ The safeguards adopted and the reasons why they are considered to be effective, including any Engagement Quality review; ▶ The overall assessment of threats and safeguards; ▶ Information about the general policies and process within EY to maintain objectivity and independence. ▶ Where EY has determined it is appropriate to apply more restrictive independence rules than permitted under the Ethical Standard. 	<ul style="list-style-type: none"> ▶ In order for you to assess the integrity, objectivity and independence of the firm and each covered person, we are required to provide a written disclosure of relationships (including the provision of non-audit services) that may bear on our integrity, objectivity and independence. This is required to have regard to relationships with the entity, its directors and senior management, its affiliates, and its connected parties and the threats to integrity or objectivity, including those that could compromise independence that these create. We are also required to disclose any safeguards that we have put in place and why they address such threats, together with any other information necessary to enable our objectivity and independence to be assessed; ▶ Details of non-audit services provided and the fees charged in relation thereto; ▶ Written confirmation that the firm and each covered person is independent and, if applicable, that any non-EY firms used in the group audit or external experts used have confirmed their independence to us; ▶ Written confirmation that all covered persons are independent; ▶ Details of any inconsistencies between FRC Ethical Standard and your policy for the supply of non-audit services by EY and any apparent breach of that policy; ▶ Details of any contingent fee arrangements for non-audit services provided by us or our network firms; and ▶ An opportunity to discuss auditor independence issues.

Relationships, services and related threats and safeguards

In addition, during the course of the audit, we are required to communicate with you whenever any significant judgements are made about threats to objectivity and independence and the appropriateness of safeguards put in place, for example, when accepting an engagement to provide non-audit services.

We are not aware of any relationships between Ernst & Young LLP and the IJB that may reasonably be thought to bear on our independence as of the date of this letter.

As part of our considerations for any non-audit engagement, we review potential threats in respect of self-interest, self-review, acting as management and advocacy. There are no non-audit services provided to IJB at this time.

Overall Assessment

Overall, we consider that the safeguards that have been adopted appropriately mitigate any potential threats identified and we therefore confirm that EY is independent and the objectivity and independence of Stephen Reid, your audit engagement partner and the audit engagement team have not been compromised.

Required communication	Our reporting to you
<p>Terms of engagement / Our responsibilities</p> <p>Confirmation by the Audit Committee of acceptance of terms of engagement as written in the engagement letter signed by both parties.</p> <p>Our responsibilities are as set out in our engagement letter.</p>	<p>Audit Scotland Terms of Appointment letter – audit to be undertaken in accordance with the Code of Audit Practice</p>
<p>Planning and audit approach</p> <p>Communication of the planned scope and timing of the audit, any limitations and the significant risks identified.</p>	<p>Annual Audit Plan</p>
<p>Significant findings from the audit</p> <ul style="list-style-type: none"> • Our view about the significant qualitative aspects of accounting practices including accounting policies, accounting estimates and financial statement disclosures • Significant difficulties, if any, encountered during the audit • Significant matters, if any, arising from the audit that were discussed with management • Written representations that we are seeking • Expected modifications to the audit report • Other matters if any, significant to the oversight of the financial reporting process 	<p>Annual Audit Plan</p> <p>Annual Audit Report</p>
<p>Going concern</p> <p>Events or conditions identified that may cast significant doubt on the entity's ability to continue as a going concern, including:</p> <ul style="list-style-type: none"> • Whether the events or conditions constitute a material uncertainty • Whether the use of the going concern assumption is appropriate in the preparation and presentation of the financial statements • The adequacy of related disclosures in the financial statements 	<p>Annual Audit Report</p>
<p>Misstatements</p> <ul style="list-style-type: none"> • Uncorrected misstatements and their effect on our audit opinion, unless prohibited by law or regulation • The effect of uncorrected misstatements related to prior periods • A request that any uncorrected misstatement be corrected • Corrected misstatements that are significant • Material misstatements corrected by management 	<p>Annual Audit Report</p>
<p>Fraud</p> <ul style="list-style-type: none"> • Enquiries of the Audit Committee to determine whether they have knowledge of any actual, suspected or alleged fraud affecting the entity • Any fraud that we have identified or information we have obtained that indicates that a fraud may exist • A discussion of any other matters related to fraud 	<p>Annual Audit Report</p>
<p>Consideration of laws and regulations</p> <ul style="list-style-type: none"> ▶ Audit findings regarding non-compliance where the non-compliance is material and believed to be intentional. This communication is subject to compliance with legislation on tipping off ▶ Enquiry of the Audit Committee into possible instances of non-compliance with laws and regulations that may have a material effect on the financial statements and that the Audit Committee may be aware of 	<p>Annual Audit Report (to be issued on completion of audit work) or as occurring if material.</p>

Required communication	Reference
<p>Related parties</p> <p>Significant matters arising during the audit in connection with the entity's related parties including, when applicable:</p> <ul style="list-style-type: none"> • Non-disclosure by management • Inappropriate authorisation and approval of transactions • Disagreement over disclosures • Non-compliance with laws and regulations • Difficulty in identifying the party that ultimately controls the entity 	<p>No such matters have been identified.</p> <p>Annual Audit Report (to be issued on completion of audit work) or as occurring if material.</p>
<p>Independence</p> <p>Communication of all significant facts and matters that bear on EY's, and all individuals involved in the audit, objectivity and independence</p> <p>Communication of key elements of the audit engagement partner's consideration of independence and objectivity such as:</p> <ul style="list-style-type: none"> • The principal threats • Safeguards adopted and their effectiveness • An overall assessment of threats and safeguards • Information about the general policies and process within the firm to maintain objectivity and independence 	<p>Annual Audit Plan</p> <p>Annual Audit Report</p>
<p>Internal controls</p> <p>Significant deficiencies in internal controls identified during the audit</p>	<p>Annual Audit Report (to be issued on completion of audit work) or as occurring if material.</p>
<p>Representations</p> <p>Written representations we are requesting from management and/or those charged with governance</p>	<p>Annual Audit Report (to be issued on completion of audit work) or as occurring if material.</p>
<p>Material inconsistencies</p> <p>Material inconsistencies or misstatements of fact identified in other information which management has refused to revise</p>	<p>Annual Audit Report (to be issued on completion of audit work) or as occurring if material.</p>

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West Lothian Integration Joint Board

Date: 1 May 2018

Agenda Item: 13

COMPLAINTS AND INFORMATION REQUESTS – QUARTER 4 OF 2017/18

REPORT BY DIRECTOR

A PURPOSE OF REPORT

To report to the Board statistics on complaints and information requests made to the Board in quarter 4 of 2017/18.

B RECOMMENDATION

It is recommended that the Board:

1. Note that no complaints have been received in quarter 4 or since the establishment of the IJB;
2. Note that no requests for information have been received in quarter 4 or since the establishment of the IJB; and
3. Note that complaints and requests for information will be reported on a quarterly basis.

C TERMS OF REPORT

C1 Background

At its meeting of 5 December 2017, the Board agreed the Complaints Handling Procedure be amended in line with recommendations from the Complaints Standards Authority. This included a requirement to report on complaints received by the Board on a quarterly basis.

The Board is also required to submit quarterly statistics on requests for information to the Office of the Scottish Information Commissioner (OSIC) and therefore a quarterly update on requests for information will be reported alongside complaints.

C2 Compliance with legislation

The Freedom of Information (Scotland) Act 2002 is an Act of the Scottish Parliament which gives everyone the right to ask for any information held by a Scottish public authority.

The Environmental Information (Scotland) Regulations 2004 (the EIRs) come from a European Directive on access to environmental information. The EIRs give everyone the right to ask for environmental information held by a Scottish public authority (and some other bodies).

An internal procedure for processing requests for information relating to the Board is in place. Requests for information will be recorded on council systems, as will complaints, and there is signposting on the IJB pages of the Health and Social Care Partnership website explaining how to make a complaint or request information.

Quarterly submissions on statistics on requests for information are made to the Office of the Scottish Information Commissioner (OSIC) on behalf of the IJB.

C3 Complaints received in Quarter 4 of 2017/18

There have been no complaints received by the IJB to date.

C4 Requests for information received in Quarter 4 of 2017/18

There have been no requests for information received by the IJB to date.

C5 Conclusion

The IJB has taken the necessary steps to ensure compliance with the relevant legislation in relation to complaints and requests for information.

No complaints or information requests have been received since the establishment of the IJB.

Complaints and requests for information will be reported on a quarterly basis; Quarter 1 of 2018/19 will be reported to the Board at a future meeting..

D CONSULTATION

Work is ongoing between NHS Lothian and the four corresponding Health and Social Care Partnerships to ensure that a consistent approach is taken to complaints handling and requests for information across all relevant public bodies in the Lothians.

E REFERENCES/BACKGROUND

Meeting of West Lothian IJB 5 December 2017

West Lothian IJB Complaints Handling Procedure

F APPENDICES

None

G SUMMARY OF IMPLICATIONS

Equality/Health	The report has been assessed as relevant to equality and the Public Sector Equality Duty, however it is not deemed necessary to conduct an equality impact assessment given the nature of the report.
National Health and Wellbeing Outcomes	Resources are used effectively and efficiently in the provision of health and social care services.
Strategic Plan Outcomes	<p>The complaints procedure gives service users an avenue to complain about:</p> <ul style="list-style-type: none">• IJB procedures• IJB decisions• the administrative or decision-making processes followed by the IJB in coming to a decision
Single Outcome Agreement	None
Impact on other Lothian IJBs	The IJBs will continue to share best practice on all matters covered in this report.
Resource/finance	Activities will be carried out within existing budgets.
Policy/Legal	<p>Scottish Public Services Ombudsman Act 2002 and Amendment Order 2006</p> <p>Integration Scheme Regulations 2014</p> <p>Public Bodies (Joint Working) (Scotland) Act 2014 and related statutory instructions and guidance</p> <p>Public Records (Scotland) Act 2011</p> <p>The Data Protection Act 1998</p> <p>Freedom of Information (Scotland) Act 2002.</p>
Risk	Minimal if compliance with legislation is regularly reviewed.

H CONTACT

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1 May 2018

Meeting Date: 1 May 2018

Item No: 14

Action Note Ref	Workplan Item	Matter Arising and Decision Taken	Lead Officer	IJB Meeting Date
		MAY		
		IJB Finance Update	Patrick Welsh	01 May 2018
		Royal Edinburgh Hospital Phase 2	Tim Montgomery	01 May 2018
		Complaints and Information Requests - Quarter 4 of 2017/18	Lorna Kemp	01 May 2018
		Information Management Update	Lorna Kemp	01 May 2018
		Internal Audit Plan (for information)	Kenneth Ribbons	01 May 2018
		External Audit Plan (for information)	Kenneth Ribbons	01 May 2018
		Local Code of Corporate Governance	James Millar	01 May 2018
		Committee Remit	James Millar	01 May 2018
		JUNE		
		Primary Care Summit	Carol Bebbington	26 June 2018
		Mental Welfare Commission: Right to Advocacy Report	Nick Clater	26 June 2018
		REPORTS DUE ON A CYCLICAL BASIS		
A/N 27 June 2017	To be reviewed every 6 months	IJB Performance: Balanced Scorecard - 6 monthly update	Carol Bebbington	December and June each year
A/N 29 Nov 2016	To be Reviewed Biennially	Standing Orders	James Millar	December 2019 (every 2 years)
	To be Reviewed Biennially	Membership Review (SPG and AR&G)	James Millar	December 2019 (every 2 years)
	To be Reviewed Annually	Review of Performance	Carol Bebbington	
A/N 31 Jan 2017	To be Reviewed Annually	Risk Register	Kenneth Ribbons	December each year
	To be Reviewed Every 3 Years	Delegation of Powers to Officers	James Millar	
	To be Presented Annually	Chief Social Work Officer's Annual Report	Jane Kellock	December each year