

MINUTE of MEETING of the WEST LOTHIAN INTEGRATION JOINT BOARD of WEST LOTHIAN COUNCIL held within STRATHBROCK PARTNERSHIP CENTRE, 189 (A) WEST MAIN STREET, BROXBURN EH52 5LH, on 1 MAY 2018.

Present –

Voting Members – Martin Hill, Harry Cartmill, Martin Connor, Alex Joyce, Bill McQueen, George Paul and Damian Timson.

Non-Voting Members – Carol Bebbington, Ian Buchanan, Jim Forrest, Mairead Hughes, Jane Houston, Martin Murray, Bridget Meisak, Patrick Welsh.

Apologies – Dave King, Elaine Duncan and Mary-Denise McKernan.

In Attendance – Kenneth Ribbons (IJB Internal Auditor), Carol Bebbington (Senior Manager Primary Care and Business Support), Lorna Kemp (Project Officer), James Millar (Standards Officer), Claire Flanagan and Karen Ozden (NHS Lothian).

1 CHAIR'S OPENING REMARKS

The Chair welcomed to the meeting Bill McQueen, Non Executive Member of NHS Lothian. Bill had been appointed as a Voting Member of the West Lothian IJB as a replacement for Lynsay Williams.

Decision

1. To agree the appointment of Bill McQueen to the West Lothian IJB; and
2. To agree that Bill be appointed to the Audit, Risk and Governance Committee to fill the vacant position.

2. DECLARATIONS OF INTEREST

There were no declarations of interest made.

3. MINUTE OF MEETING OF WEST LOTHIAN INTEGRATION JOINT BOARD HELD ON TUESDAY 13 MARCH 2018

The West Lothian Integration Joint Board approved the minute of its meeting held on 13 March 2018.

4. MINUTE OF MEETING OF WEST LOTHIAN INTEGRATION JOINT BOARD AUDIT RISK AND GOVERNANCE COMMITTEE HELD ON WEDNESDAY 24 JANUARY 2018

The Council noted the minute of meeting of West Lothian Integration Joint Board Audit, Risk and Governance Committee held on 24 January 2018.

5. ROYAL EDINBURGH HOSPITAL CAMPUS REDEVELOPMENT (PHASE 2)

The Chair welcomed to the meeting Claire Flanagan (Finance Business Partner, NHS Lothian) and Karen Ozden (Chief Nurse, REH). Claire and Karen jointly presented a report concerning the Royal Edinburgh Hospital Campus Redevelopment (Phase 2). The report was seeking the support of the IJB for the bed numbers and financial assumptions for Phase 2 of the Royal Edinburgh Hospital (REH) reprovision thereby allowing the Outline Business Case (OBC) to progress.

The Board was informed that Phase 2 of the REH reprovision programme was to provide facilities for patients with Learning Disabilities and who required low secure mental health care and complex longer terms psychiatric rehabilitation. Many of these patients currently received care in specialist hospitals in other parts of Scotland and the UK. The out of area provision was funded from an unplanned activity budget termed UNPACS. Phase 2 would also include the reprovision of the Ritson Clinic which provided inpatient detoxification for patients with substance misuse and the new Facilities Management building for the REH campus. A proposal for Phase 3 was expected in November 2018.

The report contained the following tables:-

Table 1 – Bed numbers for Learning Disability Services (LD) Inpatient and Community Place Numbers totalling 29 (which included 2 beds for NHS Borders and 1 for NHS Lothian's CAMHS LD).

Table 2 – Bed Numbers and breakdown for Low Secure Inpatient Places (totalling 23)

Table 3 – Longer Term Complex Rehabilitation Inpatient Places (totalling 20).

It was noted that proposed bed numbers did not match the current financial distribution formula between IJBs (Edinburgh 57%, West Lothian 21%, East Lothian 12%, Midlothian 10%). There were a number of reasons for this including levels of service that each HSCP had in its area that provided similar functions and historical levels of implementation of care in the community. For this reason it was important that as the OBC progressed and as the allocation formula for hosted services was reviewed in 2018/19, that each IJB approved the final model in the OBC.

The report provided a summary of benefits as undernoted:-

- Provision of services locally without the need for patients, relatives or staff to travel to other parts of the UK for many years.
- Provision of inpatient services that were fit for purpose in modern facilities in Morningside, a community with many assets.
- An expansion of provision in the community.

- Significantly better use of available resources.
- Provision of facilities management and infrastructure improvements that both future proof the site for utilities and enabled Phase 3 to proceed without disruption to clinical services.

The estimated capital construction cost of the redevelopment was £35m excluding VAT.

The estimated annual running costs were £24m for these future service configurations with funding available of £24.3m, this included the £6m UNPACS budgets. Table 4 within the report highlighted overall the finance model for this development was revenue affordable. There would be ongoing review of this in line with the progression of the business case.

It was recommended that the West Lothian IJB:-

1. Agree to the proposed West Lothian bed numbers in Phase 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 had continued access to specialist services.
3. Agree that the financial model would 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.

Decision

To note the terms of the report.

To agree the recommendations set out in section 2 of the report.

6. LOCAL CODE OF CORPORATE GOVERNANCE

The Board considered a report (copies of which had been circulated) by the Standards Officer attaching a Local Code of Corporate Governance for the Board's consideration and approval.

The Standards Officer explained that 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 had already been made. One aspect of accounting compliance and good practice which was not yet in place was the adoption of an over-arching Local Code of Corporate Governance.

The framework for corporate governance arrangements for the Board was the "Delivering Good Governance in Local Government Framework (2016)" produced by CIPFA and SOLACE. It was supplemented by a set of "Guidance Notes for Scottish Authorities". A local code had been

developed based on that framework and the final version of the proposed Local Code of Corporate Governance was attached as Appendix 1 to the report. The Audit, Risk & Governance Committee had considered the final draft on 28 March 2017 and had agreed that it be submitted to the Board for approval.

The report contained details of how the code should be used. In addition, the report advised that, after adoption of the new Code, the next steps would 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 and 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.

Finally, it was noted that the Code and reporting arrangements would be subject to a formal review at the same time as Standing Orders and other governance documents were reviewed.

The assessment and reporting process would be capable of checking by Internal Audit.

It was recommended that the Board:-

1. Note the requirements, purposes and value of a Code of Corporate Governance for the Board.
2. 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. Adopt the Code of Corporate Governance in Appendix 1 with immediate effect.
4. Note the proposed monitoring and reporting arrangements.

In addition, the Committee was asked to note that the date shown in paragraph 1.3 on page 2 should read "2018" and not "2017".

Decision

To note the terms of the report and to adopt the Code of Corporate Governance attached as Appendix 1 to the report.

7. REMIT OF AUDIT, RISK AND GOVERNANCE COMMITTEE

The Board considered a report (copies of which had been circulated) by the Standards Officer inviting Board members to consider amending the remit and powers of the Board's Audit, Risk & Governance Committee.

The Board was informed that through joint working arrangements, Falkirk Council's Internal Audit Service had been invited to conduct an audit of the Board's risk management arrangements and the findings of the audit had been reported to the Board's Audit, Risk & Governance Committee on 28 March 2018.

Some areas for improvement had been identified and they related to:-

- the wording of the Board's Risk Management Policy and Strategy;
- a review of risk management training arrangements;
- the committee's remit and powers.

The audit report had included an action plan setting out agreed management actions and timescales for completion. The committee had welcomed and accepted the report and had agreed the proposed actions.

The actions agreed were summarised by the Standards Officer as undernoted:-

1. The remit of the Audit, Risk and Governance Committee should be updated to ensure consistency with the responsibilities from the Risk Management Policy and Strategy.
2. A report should be submitted before 30 June 2018 requesting that the Board agree changes to the committee's remit.

In addition, the Standards Officer proposed a separate adjustment to the remit to give effect to the adoption of the principles underpinning working relationships between the Lothian HS Board Audit & Risk Committee and the West Lothian IJB Audit & Risk Committees.

The proposed updated remit was shown in Appendix 1 to the report.

It was recommended that the Board:-

1. 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. Consider and agree the proposed changes to the committee's remit and powers as set out in the appendix to the report.

Decision

To note the terms of the report and to agree the proposed changes to the committee's remit and powers as set out in the appendix to the report.

8. INFORMATION MANAGEMENT

The Board considered a report (copies of which had been circulated) by the Director providing 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 would come into force on 25 May 2018.

The report recalled that, at its meeting of 26 September 2017, the Board had 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 was registered with the Information Commissioners Office as a data controller and was, therefore, subject to the same data protection laws as any other public body.

The report went on to advise that the Keeper of Records office had indicated that in July 2018 the Keeper intended to invite the IJB to submit its Records Management Plan. Although July 2018 was the month the invitation would be issued, the plan itself was not expected until November 2018.

General Data Protection Regulation (GDPR) would introduce new rules on how organisations collect and process personal data. The aim of GDPR was examined in the report, together with the key changes.

The Board was informed that there were limited implications of the IJB which would not usually hold personal information.

The Board was not an employing body but like other organisations, was required to appoint a Data Protection Officer who met the criteria set out in section C3 of the report before 25 May 2018. It was proposed that the IJB Project Officer would assume this role as a temporary measure with the support of the council's Information Strategy and Security Manager until a longer-term solution was found.

It was recommended that the Board:

1. Note that the Keeper of Records would write to IJBs to request their Record Management Plans in July 2018;
2. Note that the Keeper of Records would ask IJBs to submit their plans in November 2018;
3. Note that the General Data Protection Regulation (GDPR) would replace the Data Protection Act 1998 from 25 May 2018;
4. Note the key changes under GDPR and the implications to the Board;

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 was made for the long-term.

Decision

To note the terms of the report and to agree to appoint the IJB Project Officers 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 was made for the long-term.

To place the item on the Workplan with a view to reporting back to the Board at an appropriate time.

9. 2017/18 FINANCE UPDATE

The Board 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 and was effectively an early draft outturn position for 2017/18. West Lothian Council was continuing to forecast an overall breakeven budget position for 2017/18, which NHS Lothian was forecasting an overspend of £1.486 million for IJB delegated functions.

A table within the report showed a summary of the forecast position and Appendix 1 to the report provided further detail on the position shown. An underspend of £34,000 was forecast on the payment to the IJB and an overspend of £1.520 million was forecast against the share of acute set aside resources attributed to West Lothian, giving a combined overspend position of £1.486 million. There was an increase on the position previously reported to the Board.

Various management actions were being progressed within the West Lothian Health Social Care Partnership and at a wider NHS Lothian level to manage spend within available resources. These included quality and efficiency prescribing initiatives which had 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 strategic risks, were attached in Appendix 2 to the report.

Finally, the report outlined action agreed to achieve a 2017/18 breakeven position. NHS Lothian Finance and Resources Committee had 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 was consistent with the previous financial year and would have no additional impact on NHS Lothian achieving an overall breakeven position. NHS Lothian Board had endorsed this position at its meeting on 4 April 2018.

The Board was asked to note:

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

Decision

To note the terms of the report.

10. INTERNAL AUDIT PLAN 2018/19

The Board considered a report (copies of which had been circulated) by the Internal Auditor attaching a copy of the West Lothian IJB Internal Audit Plan for 2018/19.

The plan for 2018/19 outlined planned internal audit work for the year to 31 March 2019. The purpose of the internal audit plan was to audit the IJB's processes and ensure that effective controls were in place to mitigate the risks identified.

The Internal Auditor informed the Board that separate internal audit arrangements were in place in relation to the operational arrangements within the council and health sides. The plan had been approved by the Audit, Risk and Governance Committee on 28 March 2018. The outcome of the internal audits included in the internal audit plan would be reported to the Audit, Risk and Governance Committee as a matter of course.

The Board was asked to note the 2018/19 internal audit plan, as approved by the Audit, Risk and Governance Committee on 28 March 2018.

Decision

To note the terms of the report.

11. EXTERNAL AUDIT PLAN 2017/18

The Board considered a report (copies of which had been circulated) by the Chief Finance Officer attaching a copy of the external auditor's 2017/18 annual audit plan.

The report recalled that, in May 2016, the Accounts Commission had

appointed Ernst and Young (EY) as the IJB's external auditor for the five year period to 2020/21. EY's annual plan outlined the work they proposed to undertake in relation to the 2017/18 audit and was reported to the IJB Audit, Risk and Governance Committee on 28 March 2018.

The report by the Chief Finance Officer contained a brief outline of the EY Audit plan.

The Board was asked to note the external auditor's 2017/18 annual audit plan.

Decision

To note the terms of the report.

12. COMPLAINTS AND INFORMATION REQUESTS - QUARTER 4 OF 2017/18

The Board considered a report (copies of which had been circulated) by the Director containing statistics on complaints and information requests made to the Board in quarter 4 of 2017/18.

The Board was asked to note:-

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

Decision

To note the terms of the report.

13. WORKPLAN

A copy of the Workplan had been circulated.

Decision

To note the terms of the report.