



West Lothian Integration Joint Board Audit, Risk and Governance Committee

West Lothian Civic Centre
Howden South Road
LIVINGSTON
EH54 6FF

10 June 2021

A meeting of the **West Lothian Integration Joint Board Audit, Risk and Governance Committee** will be held within the **MSTeams Virtual Meeting Room** on **Thursday 17 June 2021 at 2:00pm**.

For Chief Executive

BUSINESS

1. Apologies for Absence
2. 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
3. Order of Business, including notice of urgent business and declarations of interest in any urgent business

Public Session

4. Confirm Draft Minutes of Meeting of West Lothian Integration Joint Board Audit, Risk and Governance Committee held on Wednesday 24 February 2021 (herewith)

Public Items for Decision

5. Annual Governance Statement 2020/21 - report by Standards Officer (herewith)
6. Governance Issues - Update on Progress - report by Standards Officer (herewith)

DATA LABEL: Public

7. Best Value - Annual Compliance - report by Chief Finance Officer (herewith)
8. Local Code of Corporate Governance 2020/21 - report by Standards Officer (herewith)

Public Items for Information

9. Internal Audit Annual Report - report by IJB Internal Auditor (herewith)
10. High Risks - report by IJB Risk Manager (herewith)
11. Internal Audit Liaison - report by IJB Internal Auditor (herewith)
12. NHS in Scotland 2020 - report by Chief Finance Officer (herewith)
13. Local Government in Scotland Overview 2021 - report by Chief Finance Officer (herewith)
14. Risk Management Annual Report - report by IJb Risk Manager (herewith)
15. IJB Audit, Risk & Governance Committee Action Tracker (herewith)
16. Workplan (herewith)

NOTE **For further information please contact Val Johnston, Tel No.01506 281604 or email val.johnston@westlothian.gov.uk**

CODE OF CONDUCT AND DECLARATIONS OF INTEREST

This form is to help members. It is not a substitute for declaring interests at the meeting.

Members should look at every item and consider if they have an interest. If members have an interest they must consider if they have to declare it. If members declare an interest they must consider if they have to withdraw.

NAME	MEETING	DATE

AGENDA ITEM NO.	FINANCIAL (F) OR NON- FINANCIAL INTEREST (NF)	DETAIL ON THE REASON FOR YOUR DECLARATION (e.g. I am Chairperson of the Association)	REMAIN OR WITHDRAW

The objective test is whether a member of the public, with knowledge of the relevant facts, would reasonably regard the interest as so significant that it is likely to prejudice your discussion or decision making in your role as a councillor.

Other key terminology appears on the reverse.

If you require assistance, please ask as early as possible. Contact Julie Whitelaw, Monitoring Officer, 01506 281626, julie.whitelaw@westlothian.gov.uk, James Millar, Governance Manager, 01506 281695, james.millar@westlothian.gov.uk, Carol Johnston, Chief Solicitor, 01506 281626, carol.johnston@westlothian.gov.uk, Committee Services Team, 01506 281604, 01506 281621 committee.services@westlothian.gov.uk

SUMMARY OF KEY TERMINOLOGY FROM REVISED CODE

The objective test

“...whether a member of the public, with knowledge of the relevant facts, would reasonably regard the interest as so significant that it is likely to prejudice your discussion or decision making in your role as a councillor”

The General Exclusions

- As a council tax payer or rate payer or in relation to the council's public services which are offered to the public generally, as a recipient or non-recipient of those services
- In relation to setting the council tax.
- In relation to matters affecting councillors' remuneration, allowances, expenses, support services and pension.
- As a council house tenant, unless the matter is solely or mainly about your own tenancy, or you are in arrears of rent.

Particular Dispensations

- As a member of an outside body, either appointed by the council or later approved by the council
- Specific dispensation granted by Standards Commission
- Applies to positions on certain other public bodies (IJB, SEStran, City Region Deal)
- Allows participation, usually requires declaration but not always
- Does not apply to quasi-judicial or regulatory business

The Specific Exclusions

- As a member of an outside body, either appointed by the council or later approved by the council
- The position must be registered by you
- Not all outside bodies are covered and you should take advice if you are in any doubt.
- Allows participation, always requires declaration
- Does not apply to quasi-judicial or regulatory business

Categories of “other persons” for financial and non-financial interests of other people

- Spouse, a civil partner or a cohabitee
- Close relative, close friend or close associate
- Employer or a partner in a firm
- A body (or subsidiary or parent of a body) in which you are a remunerated member or director
- Someone from whom you have received a registrable gift or registrable hospitality
- Someone from whom you have received registrable election expenses

MINUTE of MEETING of the WEST LOTHIAN INTEGRATION JOINT BOARD AUDIT, RISK AND GOVERNANCE COMMITTEE held within MSTEAMS VIRTUAL MEETING ROOM, on 24 FEBRUARY 2021.

Present – Martin Connor (Chair) and Bill McQueen; and Councillors Damian Doran-Timson and George Paul

In Attendance – Allister Short (Chief Officer), Jo MacPherson (Head of Social Policy), James Millar (Standards Officer), Kenneth Ribbons (Internal Auditor), Sharon Leitch (Senior Auditor) Patrick Welsh (Chief Finance Officer) and Rob Jones (EY, External Auditor)

Apologies – Caroline McDowell, NHS Lothian

1. DECLARATIONS OF INTEREST

No declarations of interest were made.

2. MINUTE

The committee confirmed the minute of its meeting held on 2 December 2020.

3. TIMETABLE OF MEETINGS 2021/22

The committee considered a timetable of meetings for the twelve month period starting from 1 August 2021.

Decision

To approve the timetable of meetings for 2021/22.

4. IJB RISKS - REPORT BY CHIEF OFFICER

The committee considered a report (copies of which had been circulated) by the Chief Officer advising of the IJB's risks.

It was recommended that the Audit, Risk and Governance Committee considers the risks identified, the control measures in place, and the risk actions in progress to mitigate their impact

Decision

To note the terms of the report.

5. DATA PROTECTION COMPLIANCE

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

by the Chief Officer providing an update on compliance with data protection law and to recommend that the Chief Officer formally writes to both the council and the health board to request that a Data Protection Officer is appointed to the IJB as necessary support service

It was recommended that the committee :-

1. Note the impact of the EU Exit on data protection law is minimal;
2. Note that the IJB is largely compliant with data protection law and has limited exposure to personal data;
3. Note the appointment of a suitable Data Protection Officer (DPO) remains outstanding;
4. Note the DPO arrangements in other Integration Authorities; and
5. Agree that the Chief Officer will formally request support in the form of an appointed DPO from council and health board.

Decision

1. To approve the terms of the report
2. To agree that the Chief Officer start a dialogue with fellow Chief Officers in the Lothian area with regards to a collaborative approach for the appointment or use of a Data Compliance Officer for the IJB

6. INTERNAL AUDIT OF FINANCIAL PLANNING

The committee considered a report (copies of which had been circulated) by the IJB Internal Auditor advising of the outcome of an internal audit of the IJB's financial planning arrangements.

It is recommended that the Committee notes that control is considered to be effective.

Decision

To note the terms of the report

7. EXTERNAL AUDIT PLAN 2020/21

The committee considered a report (copies of which had been circulated) by the Chief Finance Officer advising of the external auditor's 2020/21 annual audit plan, a copy of which was attached to the report. Committee noted that Rob Jones, EY, was also in attendance at the meeting to talk to the external audit plan.

It is recommended the Committee notes and considers the external auditor's 2020/21 annual audit plan.

Decision

To note the contents of the report and the 2020/21 annual audit plan.

8, IJB INTERNAL AUDIT PLAN - REPORT BY IJB INTERNAL AUDITORIJB INTERNAL AUDIT PLAN 2021/22

The committee considered a report (copies of which had been circulated) by the IJB Internal Audit providing a copy of the 2021/22 internal audit plan, a copy of which was attached to the report.

It is recommended that the Committee approves the 2021/22 internal audit plan.

Decision

1. To approve the terms of the report
2. To agree that the Chief Officer seek clarity from fellow Chief Officers/Chief Finance Officers in the Lothian area to discuss the offer from NHS Lothian about assisting IJB's with internal audits and to report back to the June meeting with a recommendation.

9. LOCAL GOVERNMENT IN SCOTLAND - FINANCIAL OVERVIEW 2019/20

The committee considered a report (copies of which had been circulated) by the Chief Finance Officer providing an update on the Local Government in Scotland – Financial Overview 2019/20 report prepared by the Accounts Committee. The report also provided an update on the Accounts Commission's review of the 2018/19 annual audit of Fife IJB.

It was recommended that the committee :-

1. Notes and considers the key messages set out in the Local Government in Scotland – Financial Overview 2019/20 report
2. Notes and considers the findings in the Fife IJB 2018/19 audit report and the relevance to other IJBs
3. Considers the key themes / recommendations contained in the reports and agree any actions required

Decision

To note the terms of the report

10. CIPFA FINANCIAL MANAGEMENT CODE

The committee considered a report (copies of which had been circulated) by the Chief Finance Officer setting out the CIPFA Financial Management Code which had been designed to support good practice in financial management and assist in demonstrating financial sustainability.

It is recommended that the committee notes and considers the following recommendations which are intended to be submitted to the Board for approval:

1. Note the CIPFA Financial Management Code and key messages included in the report
2. Agree the IJB will comply with the code for financial year 2021/22
3. Note the officer responses to demonstrate how existing processes in the IJB meet the standards of the code following the publication of the guidance notes
4. Agree the action plan to ensure full compliance with the code

Decision

To approve the terms of the report

11. IJB BEST VALUE FRAMEWORK REVIEW

The committee considered a report (copies of which had been circulated) by the Chief Finance Officer providing an updated Best Value framework, a copy of which was attached to the report. It was noted that the framework reflected latest Scottish Government guidance on best value published in 2020.

It is recommended that the committee:

1. Notes the review carried out of the IJB's Best Value framework, taking into account the most recent guidance from the Scottish Government
2. Notes the proposed changes to guidance for external auditors and the increased scrutiny of Best Value
3. Agrees the revised Best Value Framework should be reported to the Board for approval

Decision

To approve the terms of the report

12. WORKPLAN

A workplan and reporting cycle had been circulated for information.

Decision

To note the contents of the workplan and reporting cycle.



Date	17 June 2021
Agenda Item	5

Report to West Lothian Integration Joint Board Audit Risk & Governance Committee

Report Title: Annual Governance Statement 2020/21

Report By: Standards Officer

Summary of Report and Implications	
Purpose	This report: (tick any that apply).
	- seeks a decision <input checked="checked" type="checkbox"/>
	- is to provide assurance <input type="checkbox"/>
	- is for information <input type="checkbox"/>
	- is for discussion <input type="checkbox"/>
	To present the draft annual governance statement for consideration and approval.
Recommendations	<ol style="list-style-type: none"> 1. To consider the draft annual governance statement in the appendix and its conclusion that the Board and the West Lothian community can be assured that the Board's corporate governance standards have been substantially met in 2020/21 2. To approve the draft annual governance statement in the appendix on behalf of the Board 3. To note that the statement will form part of the Board's unaudited accounts to be considered by the Board and submitted to the external auditors before the end of June 2021 4. To authorise the Standards Officer to make any minor changes to the statement deemed reasonable and necessary before finalisation of the accounts for Board approval
Directions to NHS Lothian and/or West Lothian Council	A direction(s) is not required.
Resource/ Finance/ Staffing	N/A

Policy/Legal	Public Bodies (Joint Working) (Scotland) Act 2014; Public Bodies (Joint Working) (Integration Joint Boards) (Scotland) Order 2014; Board's Standing Orders
Risk	IJB001, Governance Failure
Equality, Health Inequalities, Environmental and Sustainability Issues	The report has been assessed as having no relevance with regard to equality or the Public Sector Equality Duty. As a result, an equality impact assessment has not been conducted.
Strategic Planning and Commissioning	N/A
Locality Planning	N/A
Engagement	N/A

Terms of Report

- 1 The following process has been adopted by the Board to secure compliance with the statutory rules for submission and approval of the Board's accounts and financial statements:-
 - The Internal Auditor carries out an annual review of the Board's system of internal control which is considered in June by the committee as part of his Internal Audit Annual Report
 - The Standards Officer prepares a draft annual governance statement which is approved by the committee in June
 - The annual governance statement is then included in the Board's unaudited annual accounts
 - The unaudited accounts are considered by the Board prior to their submission for audit
 - The accounts are certified and submitted for audit and public notice by the Chief Financial Officer on or before 30 June
 - The audited accounts and the external auditors' report are considered by the committee in September, for scrutiny, and to consider recommendations to be made to the Board
 - The audited accounts, the auditors' report and the committee's recommendations are considered by the Board for approval of the audited accounts for signature before 30 September each year
- 2 Other reports are on the agenda for this meeting and have been taken into account in the preparation of the statement. They are the Internal Audit Annual Report, including the findings of the review of the system of internal control; the Chief Financial Officer's Best Value Framework Compliance Statement; an update by the Standards Officer on progress with and the current status of governance issues; and the completed Local Code of Corporate Governance for the year.

- 3 The draft annual governance statement for 2020/21 is in the appendix. It has been prepared in accordance with the 2016 CIPFA/SOLACE Framework and accompanying Guidance which apply to the Board in relation to its governance standards. The statement includes an additional section relating to the COVID-19 emergency, as advised by CIPFA for this reporting year. It also includes a new section assessing the Board's readiness to implement the CIPFA Financial Management Code, again as recommended by CIPFA for this reporting year.
- 5 Some of the characteristics of the annual statement drawn from the CIPFA/SOLACE Framework and to bear in mind when considering the draft are:-
- It enables the Board to explain governance arrangements and control
 - It should provide a meaningful but brief communication regarding the review of governance
 - It should be high level, strategic and written in an open and readable style
 - It should provide an assessment of the effectiveness of the Board's governance arrangements in supporting the planned outcomes
 - It should contain an acknowledgement of responsibility for ensuring that there is a sound system of governance
 - It should make reference to an assessment of the effectiveness of key elements of the governance framework and the role of those responsible for the development and maintenance of the governance environment
 - It should give an opinion on the level of assurance that the governance arrangements can provide
 - Actions taken, or proposed to be taken, to deal with significant governance issues, should be mentioned
 - There should be information as to how issues raised in the previous year's annual governance statement have been resolved
 - There should be a conclusion and commitment to monitoring implementation
- 6 Authority is sought to allow minor changes to be made by officers after committee approval and prior to submission and approval of the annual accounts. Without that, no changes can be made to the version approved by the committee. That flexibility will allow minor changes to be made should they be felt to be reasonable and necessary to reflect changed or new circumstances after discussion with the Board's auditors and consideration by the Board. It will also allow for the inclusion of some up-to-date information regarding COVID-19. Any such additions will be discussed with Chief Officer and Chairs and Vice-Chairs of the Board and the committee, as appropriate.

Appendices	1. Annual Governance Statement
References	Public Bodies (Joint Working) (Scotland) Act 2014, section 13; Local Government (Scotland) Act 1973, Part 7; Local Government in Scotland Act 2003, Part 1 Integration Scheme, pages 6 and 7

	<p>Delivering Good Governance in Local Government - Framework and Guidance Notes for Scottish Authorities (CIPFA/SOLACE, 2016); CIPFA Bulletin 06/2021 – Application of the Good Governance Framework 2020/21; CIPFA Financial Management Code (2019)</p> <p>Audit, Risk & Governance Committee, 27 May 2020</p> <p>Integration Joint Board, 22 September 2020</p>
Contact	<p>James Millar, Standards Officer</p> <p>01506 281613, james.millar@westlothian.gov.uk</p>

APPENDIX

ANNUAL GOVERNANCE STATEMENT 2020/21

1 Executive summary

- 1.1 Corporate governance is comprised of the systems, processes, culture and values by which the Board is directed and controlled, and the activities through which it is accountable to, engages with and leads the West Lothian community in relation to its statutory functions. It is the arrangements put in place to ensure that the intended outcomes for stakeholders are defined and achieved. The Board, Board members and individuals working for and supporting them must try to achieve the Board'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.
- 1.2 The Board and its members, voting and non-voting, have overall responsibility for good governance arrangements – for establishing the Board's values, principles and culture, for ensuring the existence and review of an effective governance framework, and for putting in place monitoring and reporting arrangements. Corporate governance is an essential back-office corporate service necessary to assist the effectiveness of setting, monitoring, achieving and reporting on priorities and outcomes, both national and local.
- 1.3 Whilst retaining its responsibility and overview of those arrangements, the Board has entrusted the delivery of some of those tasks to committees (principally its Audit, Risk & Governance Committee), to its Chief Officer and to officers employed by West Lothian Council and NHS Lothian who serve and support the Board. That delegation does not remove or negate the responsibility of all the Board's members for governance.
- 1.4 The statutory relationship amongst the Board, the council and the health board is a complex one. The Integration Scheme contains the agreement reached between the council and the health board in seeking to have the Board established. It cannot be changed without going through a formal statutory review process. The Board's governance arrangements provide the additional guidance and control necessary to make that relationship work for the benefit of service users and other stakeholders. The governance framework is made up of corporate documents, policies and procedures which are designed to guide and assist the Board in doing its business in accordance with the law and with proper standards and principles, so ensuring that public money is safeguarded and used economically, efficiently and effectively, and fulfilling the statutory duty to secure best value.
- 1.5 The conclusion and assurance in this statement is based on:-
- The Internal Auditor's opinion on the effectiveness of the Board's system

- of governance, risk management and control (6.5)
 - The Best Value Assurance Statement by the Chief Financial Officer (7.6)
 - The Local Code of Corporate Governance (7.5)
 - Progress made on tackling governance areas of concern (9.2)
 - Information on the impact of COVID-19 on governance arrangements (10.11)
 - Readiness for implementation of the CIPFA Financial Management Code (8.4)
- 1.6 Areas of concern where work is required have been identified (11) and the full extent and impact of the COVID-19 pandemic is not yet known (9.10). However, the Board and the West Lothian community can be assured that the Board's corporate governance standards have been substantially met in 2020/21.

2 Structure and powers

- 2.1 The Board is a statutory body established by the Scottish Parliament. It is responsible for the integrated functions delegated to it by the council and the health board. It makes a strategic plan for delivery of the health and social care services which go along with the integrated functions. It receives financial contributions from the council and health board, and to a lesser extent directly from the Scottish Government. It then directs the council and the health board in how they should deliver the integrated functions on its behalf and allocates financial resources to allow them to do so. The Board has responsibility for adult and older people's health and social care services. Those for children and young persons and criminal justice services are delivered directly by the council and the health board through separate voluntary partnership working arrangements.
- 2.2 Legislation requires that the Integration Scheme is reviewed by the council and the health board at least every five years. The Board does not share that legal duty and has no control over that process. That review ought to have been concluded by June 2020. The process was started and a timetable was agreed with the Board being a formal consultee. Due to the intervention of the COVID-19 emergency the process could not be progressed and it was formally abandoned in late 2020. Arrangements have now started amongst the health board and four councils in its area to start the review processes in each area. The intention is to conclude the procedure by the end of 2021. The current Integration Scheme will remain in place and the operation of the Board will not be affected.
- 2.3 The Board has delegated some of its responsibilities to other internal bodies:-
- It established an Appointments Committee to fill the posts of Director, Chief Financial Officer, Internal Auditor and Standards Officer. It met in 2021 to secure the replacement of the Chief Officer who had resigned. A successful process was followed in partnership with the council and the health board and the new Chief Officer is due to take up post on 5 July 2021

- It established an Audit Risk & Governance Committee with scrutiny powers in relation to risk management, corporate governance and internal and external audit reports. It meets quarterly and the public has access to its meetings and meeting papers
- It established the Strategic Planning Group in accordance with legislation and guidance in relation to development, review and progressing the strategic plan
- It established a Health and Clinical Care Governance Group, chaired initially by a Board member and presently by the council's Chief Social Work Officer, to provide a focus for clinical and social care issues and concerns and to advise the Board where appropriate
- In April 2019 the Board approved a revised strategic planning structure. It is designed around Planning & Commissioning Boards with remits designed to ensure delivery of the revised Strategic Plan 2019/23

2.4 The remits, powers, operating arrangements and reporting structures of all of these internal bodies were reviewed in 2019/20 and changes were approved by the Board after considering officers' recommendations. Those structures and reporting arrangements have continued. A review of the strategic planning structure was carried out and reported to the Board this year. The commissioning plans underpinning the strategic planning process were reviewed and changes approved to reflect the findings of the independent external statutory inspection of strategic planning arrangements.

2.5 All of the Board's activities are carried out within the terms of relevant legislation, guidance and the statutory Integration Scheme. Its decision-making is carried out under Standing Orders and other internal rules and procedures which are reviewed on a three-year cycle. They are principally made up of:-

- Standing Orders, governing the way Board and committee meetings are conducted
- Remits and procedural rules for committees, working groups and the new Planning & Commissioning Boards
- Scheme of Delegation to Officers setting out the responsibilities and powers allocated to senior officers
- Financial Regulations which set the rules and procedures for financial, budget and treasury management
- Strategic Plan and its accompanying Annual Financial Statement

2.6 Standing Orders, the Scheme of Delegations, Financial Regulations, committee remits were all reviewed in 2019/20 with recommended changes approved by the Board. Their next scheduled review has been timetabled and appears in the work plan considered at every Board meeting.

2.7 The Board must publish a statutory performance report within 4 months of the end of any financial year. It requires information from the council and the health board in relation to their performance of the integrated functions which have

been specified in Directions issued by the Board. That also means that regular and periodic information is required to allow service performance to be assessed continuously and to inform the annual report. That information is provided with reference to a list of agreed indicators and from that the Board maintains its own performance records against the commitments and outcomes given in its Strategic Plan. Those reports are considered at Board meetings and so all members are aware of performance information and concerns. Performance management and reporting arrangements have been under review during the year. All of the Board's statutory annual performance reports are available on its website. An internal audit of performance management arrangements carried out this year found control to be effective.

2.8 The Board's Financial Regulations call for quarterly budget monitoring reports to be presented to the Board. They also call for regular periodic budget and financial assurance reports to the Board to enable it to proceed with the budgetary process, the publication of its annual financial statement and issuing Directions to the council and health board. These reports have been and will continue to be made as required. An internal audit of financial planning arrangements carried out this year found control to be effective.

2.9 The Board has adopted a Risk Management Strategy. There is a regular and recurring pattern of reporting to the Board and to Audit Risk & Governance Committee on high risks and on the risk register as a whole.

3 The Board

3.1 The Board's membership and operating arrangements are controlled by statute. Board decisions are made by eight voting members, four from each of the council and the health board. It also has non-voting members who are senior council or health board professionals or are representatives of the users and providers of health and social care services. A full review of membership of the Board was carried out in 2019/20.

3.2 There have been some changes to the Board's voting members during the year but fewer than in the preceding year. Induction and development sessions have taken place. In accordance with the Integration Scheme, the chair has been held by a councillor voting member since September 2019 with a health board voting member taking the position of Vice-Chair. The positions of Chair and Vice-Chair of the Audit Risk & Governance Committee are held the opposite way around. Those positions will switch again in September 2021, lasting till September 2023.

3.3 The Board continues to meet approximately every six weeks. It maintains a Work Plan which is reviewed at every meeting. That is now accompanied at every meeting by an annual calendar of reporting and review deadlines. The Board's work has been assisted by a series of Board development sessions outside the constraints of a formal meeting when discussions could take place

about issues of growing or particular concern and the long-term plans for the Board and its work. The Board deals with significant strategic and financial decisions and monitors and oversees financial and service performance and risk monitoring arrangements. It meets in public except in very strictly defined circumstances. All of its meetings in the year were open to the public, with meetings of the Appointments Committee the only ones from which the public were excluded.

- 3.4 The Board has developed its participation in the West Lothian Community Planning Partnership. The Board is a statutory community planning partner and is represented on the Community Planning Partnership Board by the Chief Officer. Periodic reports are brought to the Board, or in the Chief Officer's report, to inform Board members of developments within the Partnership.
- 3.5 The Board now also participates in the Strategic Planning Forum, a strategic partnership forum amongst the health board and the integration joint boards within the health board area. It aims to increase cooperation amongst the bodies involved and secure and promote efficient planning where there are common themes and pressures shared by all concerned.
- 3.6 Chief Officer reports are now standing items on the agendas for Board meeting and those enable things like the community planning activities to be brought to the attention of the Board and the public.

4 Management

- 4.1 Under the terms of the governing legislation the Board only has one member of staff – its Chief Officer, who heads the joint management team and staff responsible for delivering the integrated services in accordance with Board directions. The Chief Officer is accountable to the Board, and also to the Chief Executives of the council and the health board. The remit and responsibilities of the post are set out in the Board's Scheme of Delegations. The Chief Officer is a non-voting Board member. A new Chief Officer (Alison White) is due to take up post on 5 July 2021 following a successful recruitment exercise carried out in partnership with council and health board.
- 4.2 The legislation which applies to the Board in relation to accounting and finance matters requires the Board to appoint a Chief Financial Officer. That role is to be performed in accordance with the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2016). It sets out the requirement for the Chief Financial Officer to be professionally qualified and sets out the criteria for that qualification. The Board has appointed its Chief Financial Officer who fulfils these criteria and operates in accordance with the Board's Financial Regulations, reporting regularly to the Board on budgetary performance and compliance and on financial assurance. The Chief Financial Officer produces the Board's annual financial statement. The role is undertaken in accordance with the relevant statutory rules, guidance

and standards. The Chief Financial Officer is a non-voting Board member. His place and responsibilities are set out in the Board's Scheme of Delegations. In accordance with its Best Value Framework adopted during the year, the Chief Financial Officer reports each year on the extent of the Board's delivery of its statutory best value duty. That informs both the Internal Auditor's review of the system of internal control and this annual governance statement. During the year the Chief Financial Officer secured the Board's approval to the adoption of the mandatory CIPFA Financial Management Code with effect from 2021/22.

- 4.3 The Board is required to operate a professional and objective internal audit service. The council's Audit Risk & Counter Fraud Manager is appointed as the Board's Internal Auditor. Internal audit is an independent appraisal function which examines and evaluates systems of financial and non-financial control. Internal audit operates in accordance with the "Public Sector Internal Audit Standards: Applying the IIA International Standards to the UK Public Sector" (PSIAS). An annual audit plan is prepared based on an assessment of risk and is approved by the Audit Risk & Governance Committee. Internal audit reports are issued to the committee in relation to the outcome of all work. There is annual reporting to the committee of internal audit activities and to give assurance about the independence, effectiveness and soundness of the service.
- 4.4 Risk management is supervised on the officer side of the Board by the Internal Auditor. Risk management is also embedded at a service level in the senior management team which is responsible for the delivery of the Board's integrated functions. The management team monitors, assesses and mitigates risk at service level as a matter of routine at their management team meetings. That process continues at lower levels in the integrated management structure.
- 4.5 The Board must appoint a Standards Officer. The Standards Officer is responsible for ensuring the Board and its members meet their obligations under ethical standards legislation and the Board's Code of Conduct. The Board has appointed a Standards Officer who maintains the Board members' Register of Interests and advises on Code of Conduct issues and concerns. His appointment was approved by the Scottish Ministers in 2016. He plays a wider role in supporting the Board in meeting its expected and adopted standards of good corporate governance. He prepares this annual governance statement and reports to the Board when required on governance matters, including compliance with the Board's adopted Local Code of Corporate Governance. An internal audit of governance arrangements carried out this year found control to be effective.
- 4.6 The council has to appoint a senior officer with social work qualifications and experience to the statutory role of Chief Social Work Officer. The post carries the significant responsibility for statutory delivery of social care services and the right to have direct access to the council and its elected members. The Chief Social Work Officer is a non-voting member of the Board and the Board's Standing Orders ensure a similar right of access to the Board and Board members in

relation to areas of professional concern. The health board has appointed an officer to a similar post in relation to health care. The holder of that post is also a non-voting member of the Board. The Board's Standing Orders give the same right of access to the Board and Board members as the Chief Social Work Officer has. Each delivers a formal annual report to the Board in connection with the discharge of their duties in relation to health and social care governance and statutory compliance.

5 Audit Risk & Governance Committee

- 5.1 The Audit Risk & Governance Committee monitors the independence and effectiveness of the Internal Audit service provided by the council and its Audit, Risk and Counter Fraud Manager. To ensure the required degree of independence it is given periodic assurance in relation to non-internal audit functions (risk management) through the internal audit manager of Falkirk Council. The committee approves an annual audit plan and receives reports about its completion. It considers reports brought forward in relation to the work, both programmed and reactive work. It approves the annual governance statement on behalf of the Board before the Board considers it as part of its unaudited accounts and financial and other statements. Its remit and powers were reviewed in 2019/20.
- 5.2 Internal Audit reports are presented to committee for information and scrutiny. They contain a finding as to the soundness of control based on the audit carried out and whether controls are satisfactory or require improvements. They set out improvement actions which have been agreed with officers. Implementation of actions and any other committee recommendations are the responsibility of the Chief Officer.
- 5.3 The committee also receives the external auditors' Annual Plan. Its remit enables it to consider the external audit annual report and audited accounts prior to their consideration and approval by the Board itself.
- 5.4 The committee also receives reports in relation to governance matters, principally reports issued by the Accounts Commission and/or Audit Scotland in relation to the Board or local government or the health and care sector as a whole. The committee also receives the annual report on corporate governance and the annual governance statement. It also receives reports on progress on the governance issues identified for attention in annual governance statements and from other sources during the year.
- 5.5 Arrangements have been in place for liaison and information sharing with the Internal Auditors for the health board, the council and the other IJBs in the health board area. The Risk Management Annual Reports for council and health board were reported to the committee in 2018/19. No issues of concern arose and committee did not determine that it was necessary that the reports for 2019/20 be presented. Work is ongoing in relation to refreshed cooperation and support and a report is to be made to Audit Risk & Governance Committee on 17 June 2021.

- 5.6 The Internal Audit Annual Report for 2020/21 provides details of the risk based audits undertaken for the Board, and the conclusions arising from that work. The Internal Audit plan was fully completed. Reports with recommendations and agreed actions had all been submitted to the committee in the course of the year. Three significant parts of the Board's governance arrangements were audited during the year – governance, performance management and financial planning. Control was found to be effective in all three.

6 System of internal control

- 6.1 A significant part of the Board's governance framework is its system of internal control (financial and other). It is an ongoing process designed to identify risks to the achievement of the Board's objectives; to evaluate the likelihood of those risks occurring; to consider the potential impact of the risks; and to manage them effectively. Those controls can never eliminate risk or failure to achieve objectives entirely – they can only provide reasonable and not absolute assurance. The design, development and management of the system of internal control are undertaken by officers who support the Board and approved where required by the Board or its Audit, Risk & Governance Committee.
- 6.2 The system of internal financial control is designed to provide assurance on the effectiveness and efficiency of operations and the reliability of financial reporting. It is based on a framework, which includes financial regulations and a system of management supervision, delegation and accountability, supported by regular management information, administrative procedures and segregation of duties. Its key elements include a documented internal control framework relating to financial processes, procedures and regulations; a comprehensive budgeting and monitoring framework; scrutiny of periodic and annual financial and operational performance reports; performance management information; and project management disciplines.
- 6.3 Reporting to the Board on the effectiveness of the system of internal control is a statutory requirement carried out by the Board's Internal Auditor. It is included in his Internal Audit Annual Report in May or June each year. Its consideration precedes and informs this statutory annual governance statement which requires approval by or for the Board and incorporation into the annual accounts and financial statements.
- 6.4 Based on internal audit work and reports throughout the year the Internal Auditor identifies areas where improvements are required and confirms that recommendations will be followed up and reported. The Audit, Risk & Governance Committee is informed of agreed actions and deadlines for completion. It seeks assurances from responsible officers on progress through follow-up reports where so advised.
- 6.5 Following the review for 2020/21, the Internal Auditor's conclusion, reported to and accepted by committee in June 2021, is that the Board has a sound

framework of governance, risk management and control.

7 Code of Corporate Governance

- 7.1 The Board's governance arrangements are assessed and reported in accordance with statutory requirements and under a Framework and accompanying Guidance for Scotland called "Delivering Good Governance in Local Government", produced by CIPFA/SOLACE in 2016. In 2017/18 a new Local Code of Corporate Governance was developed and adopted under that Framework and Guidance. The annual governance statement was produced under that Framework for 2017/18 and has been since.
- 7.2 The Code adopts the seven over-arching principles from the Framework which are: behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law; ensuring openness and comprehensive stakeholder engagement; defining outcomes in terms of sustainable economic, social, and environmental benefits; determining the interventions necessary to optimise the achievement of the intended outcomes; developing the Board's capacity, including the capability of its leadership and the individuals within it; managing risks and performance through robust internal control and strong public financial management; and implementing good practices in transparency, reporting, and audit to deliver effective accountability.
- 7.3 Each of those principles is broken down into sub-principles and then separate elements to allow a more focused approach to the components of each. A list of sources of evidence is included and the Board's actions and performance over the year are assessed to determine where it exceeds, meets or fails to meet the required standards. Areas of concern are picked out and reported on through the annual reporting process. Actions are identified and allocated and progress monitored through reporting to Board and committee. The Code is used to inform the drafting and approval of the annual governance statement. The seven principles and their interaction and some of the key evidence for each are shown in the following diagram.

INSERT UPDATED CODE PRINCIPLES DIAGRAM HERE

- 7.4 The Code was formally reviewed in 2019/20. The Code has been populated and produced this year in accordance with arrangements approved then and with the amendments approved by the Board in September 2019. No additions to or deletions from the standards listed in the Code have been proposed this year.
- 7.5 The fully-populated Code was reported to committee in June 2021. Compliance with the Code's standards has improved significantly. There are only 9 standards where the evidence indicates that work is required to secure improvement. The most significant are around the outstanding work on compliance with the GDPR and Data Protection Act 2018 and the appointment of a permanent Data Protection Officer. Overall however, substantial compliance has been achieved.

- 7.6 The Chief Financial Officer has again prepared a best value framework annual statement. It is part of the framework approved by the Board in September 2018 and newly revised and approved in March 2021 to enable it to gain the assurance it requires on the extent of its compliance with its statutory best value duty. That statement was reported to Audit Risk & Governance Committee in June 2021. Along with the Internal Auditor's review of the system of internal control and the Board's Code of Corporate Governance it informs and underpins this annual governance statement. The Chief Financial Officer has concluded and has certified that the Board has demonstrated substantial compliance with its best value duties in 2020/21.

8 CIPFA Financial Management Code

- 8.1 As part of its legal obligation to comply with accepted accounting standards and Code of Practice under the local authority accounting regime, the Board requires to adopt the CIPFA Financial Management Code (2019). The year 2020/21 is in effect a shadow year with the Board expected to move towards full compliance in 2021/22. The Code is designed to support good practice in financial management and assist in demonstrating financial sustainability. The Board is expected to adopt processes and procedures to demonstrate adherence to six principles of good financial management and 17 underlying financial management standards.
- 8.2 CIPFA Guidance for the annual governance statement for 2020/21 advises including an assessment of the extent of current compliance and the identification of areas for improvement, accompanied by an action plan to secure full compliance in 2021/22. In doing so CIPFA's advice is to take a proportionate approach and to use existing reports and documentation.
- 8.3 The Board adopted the Code in March 2021. Before adoption the Code was presented for consideration to Audit Risk & Governance Committee. The report by which its adoption was secured (18 March 2021) was a lengthy and comprehensive exposition and explanation of the Code – its purpose, the principles and the management standards. It included a description of the available evidence of present compliance, the extent of that compliance and the areas where improvement was indicated. It included a list of actions with associated timescales, all designed to secure compliance in full for the reporting year 2021/22.
- 8.4 The information provided by the Chief Financial Officer to and accepted by the Board indicates that it is already compliant to a significant extent and is well-placed to secure full compliance on time. Completion of the actions identified has been included later in this statement as a governance issue for future monitoring (11.1).

9 Past and present governance issues

- 9.1 Governance reporting in previous years has identified areas of concern and issues to be addressed by officers and members. Issues carried forward from previous years have been amalgamated together and with new issues arising with a view to monitoring progress and demonstrating the continuous improvement in governance terms and showing how issues have been dealt with where they cross the ends of the reporting years. Those issues were reported regularly to the Chief Officer's senior management team throughout the year for monitoring. A report against progress was made to the Audit Risk & Governance Committee in December 2020. Progress made since then has been noted and considered at management team meetings. Issues have been added as they have arisen during this reporting year. Some of those have been pursued and addressed already, some are longer-term issues for future monitoring and reporting. These past and present matters of concern were reported in detail to the committee in June 2021 as part of the end of year reporting in the governance cycle.
- 9.2 There was very substantial progress made in tackling the governance issues identified in last year's statement. Only three issues remained outstanding and to be carried forward at the year end. Those were ensuring full compliance with requirements around data protection procedures, raising awareness of the statutory UK anti-terrorism regimes known as PREVENT and CONTEST, and completion of the sole action emerging from the external audit report for 2019/20.
- 9.3 Work started during the year to ensure full data protection compliance and discussions are continuing with council and health board to secure support. The Board holds little personal data at all and no personal data in relation to service users or carers: that is held by council and health board. An interim Data Protection Officer appointment has been made. In those circumstances the risk presented by any non-compliance is not considered to threaten or materially affect the operations or finances of the Board while this issue is fully addressed. The work required in relation to PREVENT and CONTEST is being reviewed as a result of new guidance from the UK government and progress is expected during 2021/22. The external audit action (in relation to medium-term financial planning) is expected to be concluded on schedule at the Board meeting on 29 June 2021.

10 COVID-19

- 10.1 CIPFA Guidance for 2020/21 advises the inclusion of information about the impact of the coronavirus pandemic on governance arrangements. The annual governance statement for 2019/20 included information about the impact of COVID on governance arrangements although most of the effects were felt after the end of that reporting year. The effects of the pandemic continued throughout this reporting year, although the governance framework has proved to be robust in those extreme circumstances rather than requiring significant revision and

amendment in response.

- 10.2 One Board meeting (April 2020) was cancelled when the first lockdown restrictions were imposed. In reliance on council support, a software platform was established to allow meetings to take place by remote access. That was achieved earlier than expected and remote access Board and committee meetings commenced from 27 May 2020. Meetings of Board and committees and Strategic Planning Group were able to continue thereafter by remote access and are continuing on that basis. Public access was ensured through live audio webcasting. The Board will have to consider whether those arrangements should continue, for how long, and whether plans should be made to return to physical meetings.
- 10.3 No amendments were required to Standing Orders, including the Scheme of Delegations to Officers, to enable decisions to be made and the Board's operations to continue. Board members were kept informed of developments through email briefings by the Chief Officer. Overall, existing arrangements were able to be used and practices adapted to meet the demands of the pandemic without requiring changes to Standing Orders and other governance procedures.
- 10.4 Powers conferred by emergency coronavirus legislation allowed the postponement of compliance with statutory duties to publish annual and other reports concerning Board functions and services. That power was not exercised. All statutory reporting due to take place during the emergency period was and will be carried out to normal timescales. That includes the preparation and approval of the annual accounts and financial statements. Those were completed in accordance with the statutory timescales in both 2019/20 and 2020/21 despite regulations being passed allowing some slippage for this reporting year.
- 10.5 A separate power to suspend statutory duties to make hard copies of certain documents available for physical inspection and copying was used in relation to the right to physically inspect the Board's unaudited accounts. That power was exercised in 2019/20 and 2020/21 as a measure to help minimise the risk of infection and transmission.
- 10.6 Council and health board staff engaged in the provision of the services delegated to the Board worked from home, and continue to do so, where required or possible and in accordance with the HR policies and procedures of council and health board as their employers. Remote meeting platforms were used extensively.
- 10.7 Reporting on the financial consequences of the pandemic has taken place on a regular basis. The normal pattern of budget-monitoring and other financial reporting continued. The required timescales for reporting on financial contributions from council and health board, the Board's budget for the year and the directions issued to council and health board were adhered to.

- 10.8 The Chief Officer's report to every Board meeting has been used as a vehicle to communicate and ensure discussion of significant issues, such as the work of the care homes oversight group and the vaccination programme. Stand-alone reports have been considered as well, where appropriate and where instructed, such as the report on the response of services to the pandemic (August 2020), and on care homes oversight group (November 2020).
- 10.9 Audit Risk & Governance Committee continued its usual work without disruption and as part of its oversight of the Risk Register ensured that account was taken of the pandemic on the Board's risks and risk management.
- 10.10 Consideration has been given to the extent of the information available about the impact of the pandemic on the council's governance arrangements with a view to determining if assurances should be qualified. The following sources have been taken into account:-
- The commentary and assessments in the Local Code of Corporate Governance include information about the impact of COVID on normal arrangements
 - The Best Value Compliance Statement by the Chief Financial Officer includes information about significant COVID impacts
 - Completion of the Internal Audit Annual Plan and the positive conclusions of the investigations carried out and reported
 - The review of the system of internal control and the Internal Auditor's annual opinion on the framework of governance, risk management and control, in which there was no qualification or limitation of scope due to COVID
 - The schedule of completed and ongoing governance issues that accompanied this statement when it was presented for approval
 - The work of the Audit Risk & Governance Committee throughout
 - The Internal Audit Annual Report and the Risk Management Annual Report
 - The views of the external auditors set out in their annual audit report on the 2019/20 accounts and their annual plan for 2021/22
 - The financial reporting carried out by the Chief Financial Officer
 - Minutes of Board and committee meetings, which continued throughout with the exception of one Board meeting in April 2020
- 10.11 In reliance on all those sources it is judged that sufficient information has been available to inform this statement. It has not been considered that the assurances given in relation to corporate governance for 2020/21 require to be qualified or restricted as a result of Covid-19.

11 Issue to be addressed in 2021/22

- 11.1 Arising from the sources described in this statement and other areas of

knowledge and operation, these are the issues of concern that the Board is recommended to address in 2020/21:-

- The 3 issues referred to in (9.3, above) and the 9 standards highlighted in the Local Code (7.5, above)
- Actions required by the Scottish Government's implementation of the Feeley Report's recommendations on the establishment of a national care service
- Implementation of "Planning with People", the Scottish Government's recent guidance on community engagement and participation
- Compliance with newly-acquired statutory duties in relation to emergency planning under the Civil Contingencies Act 2004
- Monitoring progress towards completion of actions arising from the Joint Inspection of strategic planning reported in 2020/21
- Participating in the resumed review by the council and health board of the Integration Scheme
- Steps required to ensure compliance with the UN Convention on the Rights of the Child Incorporation (Scotland) Act 2021 (which applies to young persons up to the age of 18)
- Approval and implementation of a revised Code of Conduct after the Scottish Parliament approves a revised Model Code (as yet unscheduled)
- Consideration of recommendations arising from a recent Mental Welfare Commission report on the legality of moving patients from hospitals to care homes during the pandemic
- Monitoring and completion of the actions identified to secure full compliance with the CIPFA Financial Management Code (8.4, above)
- A return to physical meetings, or their continuation by remote access, will have to be considered
- An assessment of Issues arising as a result of the pandemic and measures taken towards recovery

11.2 Progress will be tracked through senior management team meetings and interim reports to committee. Committee has the power to call for stand-alone reports on individual issues causing particular concern.

12 Conclusion and assurance

12.1 Based on the Board's governance framework described in this statement the Board and the West Lothian community can be assured that the Board's corporate governance standards have been substantially met in 2020/21.

12.2 There are however areas for improvement which should be addressed by officers and referred to Audit Risk & Governance Committee for monitoring and control. Consideration should be given as to whether any of those issues and actions require formal recognition or reassessment in the Board's Risk Register.

Date	17 June 2021
Agenda Item	6



Report to West Lothian Integration Joint Board Audit Risk & Governance Committee

Report Title: Governance Issues – Update on Progress

Report By: Standards Officer

Summary of Report and Implications	
Purpose	This report: (tick any that apply).
	- seeks a decision <input checked="" type="checkbox"/>
	- is to provide assurance <input type="checkbox"/>
	- is for information <input type="checkbox"/>
	- is for discussion <input type="checkbox"/>
	To consider an update on issues identified for attention through the annual governance statements for recent years
Recommendations	<ol style="list-style-type: none"> 1. To note the update on governance issues of concern since committee met in December 2020 and to note that information was a significant factor in preparing the draft annual governance statement for approval 2. To agree the status allocated to each issue in the appendix
Directions to NHS Lothian and/or West Lothian Council	A direction(s) is not required.
Resource/ Finance/ Staffing	N/A
Policy/Legal	Public Bodies (Joint Working) (Scotland) Act 2014; Public Bodies (Joint Working) (Integration Joint Boards) (Scotland) Order 2014; Board's Standing Orders
Risk	IJB001, Governance Failure
Equality, Health Inequalities, Environmental and Sustainability Issues	The report has been assessed as having no relevance with regard to equality or the Public Sector Equality Duty. As a result, an equality impact assessment has not been conducted.

Strategic Planning and Commissioning	N/A
Locality Planning	N/A
Engagement	N/A

Terms of Report	
1	The Board is committed to meeting good standards of corporate governance. Compliance is the responsibility of all Board members. Providing evidence and assurance to Board members is the responsibility of officers. This report, in conjunction with other reports on the same agenda, are designed to give members that assurance and allow members to scrutinise the basis of it.
2	Annual governance statements have identified areas of concern and actions that should be taken. Those have been reported at each year end and, latterly, through half-yearly updates on progress to the committee. The areas of concern arising from the annual governance statements for recent years and the external audit process have been kept under review and progressed further during 2020/21. This report is part of the agreed process for monitoring and reporting on progress, which is shown in the appendix.
3	The list of items contains those that still required work after previous updates. Those considered at those previous meetings to be complete have been removed from the list. It also includes new issues arising during the current year to ensure that they receive the attention required as early as is practicable. Information has been added to show what has been done what is being done and whether work is complete or ongoing. Any issues emerging from committee's consideration of reports at this meeting will be added. The appendix therefore represents a running log of outstanding concerns and actions spanning this and the previous three years. That reflects the CIPFA/SOLACE Framework's guidance that there should be continuous improvement shown across reporting years in addition to the snapshots provided by annual governance statements.
4	Those considered by officers to have been completed since committee met in December last year have been marked and highlighted in green. The committee is asked to accept that those are completed and for them to be deleted from the running log. Those for which work is ongoing are marked in amber. Those for which there is no action yet taken are highlighted in red.
5	Very substantial progress has been made during the year, clearing many of the longer-standing issues. The most significant issue outstanding again is the work on compliance with the GDPR/Data Protection Act 2018 and the appointment of a permanent Data Protection Officer meeting the requirements of the legislation and guidance. That progress is reflected in the commentary in the Code of Corporate Governance and the annual governance statement.

Appendices	1. Progress on Governance Issues 2020/21
References	Public Bodies (Joint Working) (Scotland) Act 2014, section 13; Local Government (Scotland) Act 1973, Part 7; Local Government in Scotland Act 2003, Part 1

	<p>Local Authority Accounts Regulations (Scotland) 2014</p> <p>Integration Scheme, pages 6 and 7</p> <p>Delivering Good Governance in Local Government - Framework and Guidance Notes for Scottish Authorities (CIPFA/SOLACE, 2016); CIPFA Bulletin 06/2021 – Application of the Good Governance Framework 2020/21; CIPFA Financial Management Code (2019)</p> <p>Audit, Risk & Governance Committee, 27 May 2020, 2 December 2020</p> <p>Integration Joint Board, 22 September 2020</p>
Contact	<p>James Millar, Standards Officer</p> <p>01506 281613, james.millar@westlothian.gov.uk</p>

APPENDIX**PROGRESS ON GOVERNANCE ISSUES FOR 2020/21**

Those accepted by committee in May 2020 or December 2020 to have been completed have already been removed from the running log. Those accepted by the committee on 19 June as having been completed will be removed. New items from the annual governance statement will be added to those remaining after that meeting to form the basis for reporting in 2021/22.

ITEM	SUBJECT	STATUS DECEMBER 2020 ACCEPTED	PROGRESS REPORTED IN DECEMBER 2020 AND MADE SINCE	STATUS FOR JUNE COMMITTEE
4(17/18) AND 4(18/19)	Confirm compliance with GDPR and Data Protection Act 2018 and scheduled review (AGS)	Ongoing. Assessed as red in Code 19/20	<p>Interim Data Protection Officer appointed. Privacy Notice implemented in localities consultation. Work ongoing with council on sharing resources and appointment of permanent Data Protection Officer and remaining compliance actions. Requires to be concluded in 2019/20 to give IJB assurance that it is and will be legally compliant.</p> <p>IJB, 30 June 2020 – mentioned in report on RMP as an issue still to be addressed</p> <p>IJB, 22 September 2020 – Chief Officer's report covered annual review of support services but made no mention of DPO or DPA compliance</p> <p>AR&GC, 2 December 2020 – highlighted in Internal Audit report on governance arrangements. Committee recommended urgent investigation and report back, aim is to utilise partner resources</p> <p>AR&GC, 24 February 2021 – report on present arrangements, compliance and risk, Chief Officer to make formal request to WLC and NHSL to provide support or shared resource. Request made to council, declined, request now made to health board</p>	Ongoing

7(18/19)	Arrangements for succession planning to be considered to ensure continuity at Board and officer level, in particular in relation to the Board's professional advisers and non-voting members (AGS)	Ongoing. Assessed as red in Code 19/20	<p>IJB, 21 November 2019 - approved Workforce Strategy which includes reference to succession planning</p> <p>IJB, 11 August 2020 – Welcome Pack for new members approved, including an Induction Process. Opportunity to use it for new voting and non-voting members appointed in September 2020</p> <p>IJB, 22 September 2020 – Joint Inspection of Strategic Planning concluded that “there had been only limited progress with implementing the workforce plan”. It recommended that “the partnership should develop and deliver integrated plans that support delivery of services. For example, workforce planning”. Requires to be addressed by the IJB via Action Plan and reflected in IJB Work Plan</p> <p>IJB, 10 November 2020 – Chief Officer Report included section on Workforce Planning, no specific mention of succession-planning.</p> <p>IJB, 10 November 2020 – Risk Management Report confirms workforce management as a high risk</p> <p>AR&GC, 17 June 2021 – report to recommend the risk is no longer a high risk due to mitigations in place and actions taken. Changing of membership is covered above. Movement of officers is dealt with by council and health board, as employers, and assurance can be taken from their arrangements. Recent experience with changes at Chief Officer and head of service levels confirm arrangements are effective</p>	Completed
24(17/18)	Consideration and agreement of actions from external reports produced in 2018/19 by Audit Scotland, Accounts Commission and Scottish Government/COSLA, all	Ongoing	<p>Reported variously to AR&GC and IJB between December 2018 and May 2019. Subject to detailed consideration at Development Days on 20 February 2019 and 1 May 2019. Actions and IJB's position to be finalised and reported, arrangements made to monitor actions and follow up recommendations.</p> <p>IJB, 13 August 2019 – draft Action Plan approved for submission to</p>	Completed

	with recommendations for IJBs (NHS in Scotland 2018 (October 2018); Health and Social Care Integration in Scotland (November 2018); Review of Local Government 2017/18 (December 2018); Review of Progress with Integration of Health and Social Care (February 2019)		<p>Scottish Government/COSLA, follow-up report to IJB on 10 September 2019 for information. Progress will be reported in January 2020 where further reporting on progress will be agreed and added to cycle of reporting. Highlighted in EY audit report, page 16</p> <p>IJB, 21 January 2020 – no report submitted. Report presented concerning two additional reports issued in late 2019 but no follow-up on earlier reports.</p> <p>AR&GC, 4 March 2020 – not on agenda</p> <p>IJB, 10 March 2020 – reported as Self-Evaluation Action Plan, appendix showed recommendations, actions and progress against each. Not all completed. Requires to be scheduled in Board Workplan to show Board ownership and can then be considered complete</p> <p>IJB, 22 September 2020 – nothing entered in IJB Workplan</p> <p>IJB, 22 September 2020 – Joint Inspection report concluded that “the integration joint board had an action plan in relation to the ministerial strategic group for health and community care review of progress with integration. The action plan was to be kept under review by the board but had not been reviewed since it had been submitted to the Scottish Government in August 2019</p> <p>AR&GC, 2 December 2020 – highlighted in Internal Audit report on governance arrangements</p> <p>IJB, 19 January 2021 – Progress reported, agreement that remaining items now being monitored in other ways, especially Joint Inspection of Strategic Planning Action Plan and no further reporting required on this</p>	
6(18/19)	Keeping the new structure	Ongoing.	A review of the Planning and Commissioning Board structure (IJB,	Completed

	of Planning & Commissioning Boards under review to ensure their successful contribution to delivery of the Strategic Plan	May be considered to be complete when added to and reported in IJB Workplan	<p>23 April 2019) will be included in the annual report to the IJB on progress in relation to the Strategic Plan.</p> <p>IJB, 10 March 2020 – not yet timetabled for presentation to IJB</p> <p>IJB, 22 September 2020 – covered in report on “Strategic Commissioning Plans: Reflections” and in Chief Officer’s report. Further review and report in September/October 2021</p> <p>AR&GC, 2 December 2020 – recommended to be added to workplan for next IJB meeting so that it could be marked as “completed”</p> <p>IJB, 19 January 2021 – Bi-annual reporting agreed, timetabled and included in Workplan for March and September each year</p> <p>IJB, 18 March 2021 and 20 April 2021– update on Strategic Commissioning Plans and review of Strategic Planning Structure. Ensure next review is added to the IJB Work Plan/cycle of reporting and reviews</p>	
2(19/20)	Ensure IJB awareness of PREVENT agenda	Not started	<p>Statutory guidance includes IJBs as public bodies with duties requiring staff engagement and awareness. In schedule of items for development sessions in 2020/21. New UK Government guidance being introduced in 2021, may affect requirement for IJB to take action. Being investigated, to be kept under review</p>	Ongoing

9(19/20)	Accounts Commission Report on Fife integration Joint Board (Audit Scotland, 2 March 2020)	Ongoing	<p>Critical report published based on external audit report. Should be taken to members on a “lessons learned” approach. May be done via IJB or AR&GC or a development session</p> <p>AR&GC, 2 December 2020 – committee recommended a report to committee to consider issues raised</p> <p>AR&GC, 24 February 2021 – covered in report on Audit Scotland’s Financial Overview Report</p>	Completed
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10(19/20)	COVID-19 pandemic. Review impact, preparedness, contingency planning and lessons to be learned to consider if changes are required to governance and operational arrangements	Ongoing. May be considered to be completed if this is added to the Work Plan for periodic/cyclical reporting to AR&GC and IJB	<p>IJB, 30 June 2020 – Initial report on COVID-19 impact on all aspects of operations and governance. Follow-up report instructed for August meeting. AR&GC instructed to review Risk Register in relation to COVID-19 for its meeting in September 2020</p> <p>IJB, 11 August 2020 – full and up-to-date report on COVID-19 reaction and effect on services</p> <p>AR&GC, 9 September 2020 – consideration of risk register in relation to COVID-19, recommendations made and accepted</p> <p>IJB, 22 September 2020 – care homes oversight covered in annual Clinical Governance Report</p> <p>IJB, 22 September 2020 – COVID-19 update in Chief Officer's report</p> <p>IJB, 10 November 2020 – Care Homes Update Report, Chief Officer Report and Risk management Report</p> <p>AR&GC, 2 December 2020 – recommended to be added to workplan for next IJB meeting so that it could be marked as "completed"</p> <p>IJB, 19 January 2021 – COVID covered in Chief Officer Report, Chief Social Work Officer's Annual Report, Budget Update 2021/22</p> <p>IJB, 19 January 2021 – added to Workplan as a standing item, either in Chief Officer's report or as a separate item if appropriate</p> <p>IJB, 18 March 2021 – included in Chief Officer report</p> <p>IJB, 20 April 2021 – included in Chief Officer report</p>	Completed
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11(19/20)	Participating in the resumed review by the council and health board of the Integration Scheme	Not started but awaiting council and health board to resume review	<p>IJB, 30 June 2020 – Chief Officer's report confirmed council and health board formally abandoned the review due to COVID-19, returning to it in autumn 2020. IJB's involvement is dependent on council and health board restarting review</p> <p>11 November 2020 – no movement from council or health board to revisit the review process</p> <p>Council Executive, 15 December 2020 – agreed to postpone till spring 2021</p> <p>IJB, 19 January 2021 – Chief Officer Report confirmed postponement. Since action dependent on partner bodies and no progress to be made in 2020/21, mark as completed but renew in AGS for 2020/21</p>	Completed
12(19/20)	Reviewing the role descriptions for Board members, due in February 2021	Not started	<p>Should be added to IJB Workplan to avoid losing sight of it</p> <p>IJB, 19 January 2021 – added to Workplan for March 2021</p> <p>IJB, 18 March 2021 and 20 April 2021 – roles reviewed, accepted no changes required, to be reviewed in 3 years' time. Ensure next review is added to the IJB Work Plan/cycle of reporting and reviews</p>	Completed
13(19/20)	Reviewing the template for officers' reports, due in February 2021	Not started	<p>Should be added to IJB Workplan to avoid losing sight of it</p> <p>IJB, 19 January 2021 – template reviewed, updated version approved. Next due in March 2023</p>	Completed
14(19/20)	Reviewing the Strategic Planning group structure, due in April 2021	Not started	<p>Should be added to IJB Workplan to avoid losing sight of it</p> <p>IJB, 19 January 2021 – added to Workplan for March 2021</p>	Completed

16(19/20)	Ensuring compliance with the refreshed Clinical & Care Governance arrangements	Ongoing. May be considered to be completed once Chair appointed and review is timetabled in Workplan	<p>IJB, 22 September 2020 – covered in part by annual report on Clinical Governance. Chair's appointment required</p> <p>IJB, 10 November 2020 – no permanent Chair yet found, CSWO appointed as Interim Chair, search continuing</p> <p>AR&GC, 2 December 2020 – recommended to be added to workplan for next IJB meeting so that it could be marked as “completed”</p> <p>IJB, 19 January 2021 – terms of reference revisited, agreed that group be officer-led and chaired by Head of Social Policy</p> <p>IJB, 18 March 2021 – included in Chief Officer report</p>	Completed
17(19/20)	Returning to the risks posed by the departure of the UK from the European Union, likely to be completed at the end of the transition period in December 2020	Not started	<p>AR&GC, 2 December 2020 – report by Chief Officer on potential European Union (EU) Exit implications</p> <p>IJB, 19 January 2021 – added to Workplan for March 2021. IJB can decide on further reporting at that time</p> <p>IJB, 18 March 2021 – report on impact to date, assessment of risks, mitigation and management measures and ongoing monitoring</p>	Completed

18(19/20)	Review of the Best Value Framework as the external audit approach to best value in integration joint boards is developed	Not started	<p>Should be added to IJB Workplan to avoid losing sight of it</p> <p>January 2021 – confirmed plan to report to next AR&GC and then to IJB for approval of reviewed and revised framework</p> <p>IJB, 19 January 2021 – added to Workplan for March 2021</p> <p>AR&GC, 24 February 2021 – recommended adoption of revised Framework to IJB</p> <p>IJB, 18 March 2021 – revised Framework adopted, to be reviewed in 3 years' time</p>	Completed
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19(19/20)	Care Home Clinical and Care Professional Oversight Team, to ensure the Board is sighted on its role and its Chief Officer's role	Ongoing. May be considered to be completed once entered in Workplan for periodic reporting	<p>IJB, 30 June 2020 – Chief Officer's report contained information and background but no route agreed for further reporting or monitoring. Board instructed further. COVID-19 report for August Board meeting</p> <p>IJB, 11 August 2020 - Chief Officer's report contained further generalised information and background but still no route agreed for further reporting or monitoring. Council Executive to see report quarterly (starting October/November 2020) so same report can be used for the IJB</p> <p>IJB, 22 September 2020 – covered in annual report on Clinical Governance</p> <p>AR&GC, 2 December 2020 – recommended to be added to workplan for next IJB meeting so that it could be marked as "completed"</p> <p>IJB, 19 January 2021 – covered again in Chief Officer Report and in Chief Social Work Officer's Annual Report</p> <p>IJB, 19 January 2021 - added to Workplan as a standing item, either in Chief Officer's report or as a separate item if appropriate</p> <p>IJB, 18 March 2021 – included in Chief Officer report</p> <p>IJB, 20 April 2021 – included in Chief Officer report</p>	Completed
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20(19/20)	Developments surrounding the second Integrated National Health and Social Care Workforce Plan – COSLA Leaders, 29 May 2020	Ongoing. May be considered to be completed when deadline added to Workplan	<p>IJB, 10 November 2020 – Chief Officer Report included</p> <p>IJB, 10 November 2020 – Chief Officer Report included update on Workforce Planning nationally. Requirement for three-year plan postponed till 31 March 2022. Template for 2021/22 to be produced in December 2020, to be submitted for 31 March 2021</p> <p>AR&GC, 2 December 2020 – recommended to be added to workplan for next IJB meeting so that it could be marked as “completed”</p> <p>IJB, 19 January 2021 – added to Workplan for March 2021 and then as an annual report in November each year</p> <p>IJB, 18 March 2021 – update in Chief Officer report, further report to IJB on 20 April 2021</p> <p>IJB, 20 April 2021 – Interim Workforce Plan 2021/22 approved for submission to Ministers. Ensure completion of final Plan for submission is timetabled and added to the IJB Work Plan</p>	Completed
22(20/21)	Implementation of recommendation in EY's annual audit report	Ongoing	<p>IJB, 22 September 2020 – one action recommended and accepted. To be completed on an ongoing basis during 2020/21 but refreshed MTFP to be reported to IJB in first half of 2021 after budget and financial settlement</p> <p>AR&GC, 24 February 2021 – internal audit of financial planning found controls to be effective</p> <p>IJB, 18 March 2021 – in Financial Assurance report, agreed updated medium-term financial plan to be reported to IJB on 29 June 2021. Approval of that report will complete the action agreed from the audit report, likely to be repeated for 2021/22</p>	Ongoing

23(20/21)	Development of and monitoring arrangements for Action Plan following Joint Inspection of Strategic Planning	Ongoing. May be considered to be completed when deadline added to Workplan	<p>IJB, 22 September 2020 – consideration of Joint Inspection report, approved development action plan for submission at the next meeting in November 2020</p> <p>IJB, 10 November 2020 – Action Plan agreed with deadlines but no agreement on when to report back on progress.</p> <p>AR&GC, 2 December 2020 – recommended to be added to workplan for next IJB meeting so that it could be marked as “completed”</p> <p>IJB, 19 January 2021 - Strategic Inspection Action Plan added to Workplan for June 2021 and for bi-annual reporting (May/June and November/December)</p>	Completed
NEW	Adoption of CIPFA Financial Management Code	N/A - NEW	<p>AR&GC, 24 February 2021 – new Code reported with recommended actions, committee agreed to recommend it s adoption, with associated actions, to IJB</p> <p>IJB, 18 March 2021 – new Code adopted for use from 2021/22, actions agreed</p>	Completed
NEW	Review of Adult Social Care (Feeley Report) (February 2021)	N/A – NEW	<p>General discussion at Development Day on 9 March 2021</p> <p>IJB, 18 March 2021 - initial and introductory report and discussion of report and Scottish Government acceptance, agreed further reports to be brought forward as and when necessary (e.g., next following item)</p>	Completed

NEW	Scottish Government Guidance – Planning with People; Community engagement and participation (14 March 2021)	N/A – NEW	To be reported - impact on IJB Communication and engagement Strategy and steps required for implementation IJB, 20 April 2021 – Chief Officer report advised full report due to meeting in June 2021. Expected to be completed at Board meeting on 29 June 2021	Ongoing
NEW	Civil Contingencies (Scotland) Act 2004 – IJBs as first responders with effect from March 2021	N/A – NEW	Compliance with 2004 Act, related regulations and guidance required	Not started
NEW	United Nations Convention on the Rights of the Child (Incorporation) (Scotland) Act 2021 – implementation of any duties incumbent on IJB	N/A - NEW	Act imposes duties on public authorities generally and on IJBs specifically in relation to services for those under 18 years old	Not started

Date	17 June 2021
Agenda Item	7



Report to West Lothian Integration Joint Board Audit, Risk and Governance Committee

Report Title: Best Value – Annual Compliance

Report By: Chief Finance Officer

Summary of Report and Implications	
Purpose	This report: (tick any that apply).
	- seeks a decision <input checked="" type="checkbox"/>
	- is to provide assurance <input checked="" type="checkbox"/>
	- is for information <input type="checkbox"/>
	- is for discussion <input type="checkbox"/>
	The purpose of this report is to set out the Best Value Annual Statement of Compliance for 2020/21.
Recommendations	<p>It is recommended that the Committee</p> <ol style="list-style-type: none"> 1. Notes that the IJB has a statutory duty to make arrangements to secure Best Value as prescribed in Part 1 of the Local Government in Scotland Act 2003 2. Agrees that the IJB has demonstrated substantial compliance with its Best Value duties based on the Framework agreed for reporting on Best Value
Directions to NHS Lothian and/or West Lothian Council	A direction(s) is not required.
Resource/ Finance/ Staffing	None.
Policy/Legal	The IJB has a statutory duty to demonstrate compliance with Best Value.
Risk	None.

Equality, Health Inequalities, Environmental and Sustainability Issues	The report has been assessed as having little or no relevance with regard to equality or the Public Sector Equality Duty. As a result, an equality impact assessment has not been conducted.
Strategic Planning and Commissioning	The delivery of Best Value will contribute in effective delivery of the Strategic Plan.
Locality Planning	The delivery of Best Value will contribute in effective delivery of Locality Planning.
Engagement	Relevant officers in NHS Lothian and West Lothian Council.

Terms of Report	
1.	Background
1.1	The Local Government (Scotland) Act 2003 places a duty on Local Government bodies to secure Best Value. As a Section 106 body under the 2003 Act, Integration Joint Boards have the same statutory duty to secure best value.
1.2	<p>The statutory duties of the 2003 Act are:</p> <ul style="list-style-type: none"> • The duty of Best Value, being to make arrangements to secure continuous improvement in performance (while maintaining an appropriate balance between quality and cost); and in making those arrangements and securing the balance, to have regard to economy, efficiency, effectiveness, the equal opportunities requirements and to contribute to the achievement of sustainable development; • The duty to achieve break-even in trading accounts subject to mandatory disclosure • The duty to observe proper accounting practices • The duty to make arrangements for the reporting to the public of the outcome of the performance of functions <p>The above duties apply to the IJB other than the duty to secure a break-even in trading accounts which is not relevant to the IJB as it does not have trading accounts.</p>
2.	Best Value Framework and Compliance
2.1	<p>A revised Best Value Framework was approved by the Board on 18 March 2021. This reflected revised statutory guidance from the Scottish Government published in March 2020 for local authorities and other bodies as required under Section 106 of the Local Government (Scotland) Act 1973, including integration joint boards.</p> <p>The new guidance reflects that achieving Best Value is increasingly dependent on the effectiveness of partnerships and collaborative working arrangements with an increasing requirement for bodies to align key plans and strategies with partners and work jointly to deliver shared outcomes. This is particularly relevant to IJBs given their strategic planning responsibilities across health and social care functions which are operationally delivered by partner bodies.</p>

2.2	<p>Taking account of the revised statutory guidance, the IJB has agreed seven themes against which Best Value compliance is assessed against. These are set out below.</p> <ul style="list-style-type: none"> • Vision and Leadership • Governance and Accountability • Effective Use of Resources • Partnerships and Collaborative Working • Working with Communities • Sustainable Development • Fairness and Equality
2.3	<p>It was agreed for each of these areas there would be an annual assessment of how the IJB has demonstrated best value in the delivery of delegated functions. This is achieved through an Annual Statement of Compliance produced by the Chief Finance Officer, considered by the IJB senior management team and reported to the IJB Audit, Risk and Governance Committee for consideration. The Statement of Compliance will be used to inform the Annual Governance Statement within the annual accounts.</p>
2.4	<p>The 2020/21 Best Value Annual Statement of Compliance is attached in Appendix 1 for consideration by the Committee. The statement conclusion based on the activities undertaken is that the IJB has demonstrated substantial compliance with Best Value during 2020/21.</p>
3	Auditing Best Value in IJBs
3.1	<p>Guidance for auditors on auditing Best Value in local government bodies was issued by Audit Scotland in January 2021. For IJBs, annual Best Value audit work will going forward be integrated with the wider scope audit work covering areas such as financial sustainability, governance, performance and partnership working, and will be reported in Annual Audit Reports prepared by external auditors.</p>
3.2	<p>The Ernst and Young (EY) Annual Audit Plan notes that their 2020/21 audit will review the IJBs arrangements for demonstrating Best Value and will comment on this in its Annual Audit Report. The committee should also be aware that the Accounts Commission are planning to extend their auditing role to include Best Value in Integration Joint Boards. Reports covering the Best Value arrangements in each IJB will be reported to the Accounts Commission who will report findings and publish these reports. This is intended to provide the Accounts Commission with assurance on achievement of Best Value in each individual IJB.</p>
3.3	<p>Taking account of these factors it is important that the IJB's duty to secure best value continues to be seen as a priority and arrangements in place to demonstrate achievement of this duty continue to be developed. The IJB's Best Value Framework and annual review of compliance with Best Value will be an important element of this going forward.</p>

Appendices	1. Appendix 1 – Best Value Framework – Annual Statement of Compliance 2020/21
References	1. Local Government Scotland Act 2003
Contact	<p>Patrick Welsh, Chief Finance Officer, West Lothian Integration Joint Board Email: patrick.welsh@westlothian.gov.uk Tel. No: 01506 281320</p>

WEST LOTHIAN INTEGRATION JOINT BOARD

Best Value Framework - Annual Statement of Compliance 2020/21

Name of Policy or Procedure:	Best Value Framework
Responsible Officer:	Patrick Welsh – Chief Finance Officer, West Lothian IJB
Requirement agreed by Board:	<ol style="list-style-type: none"> 1. Annual statement of compliance 2. Review the Best Value Framework after 3 years.
Report required by:	IJB Audit Risk and Governance Committee – 17 June 2021
Review Requirement	An updated Best Value Framework was approved by the Board on 18 March 2021 for a three year period from 2020/21. In line with the three year review requirement agreed, the Framework will be reviewed and any changes approved by the IJB for the 2023/24 annual accounts process.
Report by the Chief Financial Officer on the operation of the policy during 2020/21	<p>The Framework covers seven areas of best practice and the following provides an update on the activities which were undertaken during the financial year 2020/21:</p> <ol style="list-style-type: none"> 1. Vision and Leadership. <p>Cross sector participation in leadership programmes takes place on a regular basis. Senior management are involved in key decision making and planning forums including the Strategic Planning Group and the Lothian Chief Officers Group. Regular Development Sessions are held to support Board Members in fulfilling their role.</p> <p>The Strategic Plan covering the period 2019/20 – 2022/23 was developed in partnership with key stakeholders and supports the delivery of the agreed strategic priorities and transformational change programmes.</p>

Significant transformation plans are in place for older people's services and a number of programmes have been developed, each with joint leadership from across health and social care to drive the future vision for whole system change.

The IJB Strategic Planning Group includes representation from Community Planning, Economic Development, Housing and West Lothian Leisure and contributes a health and social care perspective to the existing regeneration locality plans.

A Joint Inspection of Strategic Planning within West Lothian Adult Care Services was undertaken by the Care Inspectorate and Healthcare Improvement Scotland during 2020. The outcome of this inspection was reported to the Board in September 2020 and an action plan to address the recommendations was approved by the Board on 10 November 2020. It was agreed that updates on progress will be reported to the Board on a six monthly basis with any significant matters reported to the Board as required.

2. Governance and Accountability

The Board's Local Code of Corporate Governance, compliant with the CIPFA/SOLACE Framework (2016) has been in place since 2019/20. It accompanies the draft annual governance statement for approval each June. Progress reports are made on areas of governance concern previously identified for action. An internal audit of governance arrangements found control to be effective (2 December 2020). The external audit report for 2019/20 found that the key features of good governance at the IJB are in place and operating effectively

The Board received frequent reports from the Chief Finance Officer on budgets, budget pressures and spending. Updates to the existing medium-term financial plan and strategy have been progressed throughout the year and based on this an update to the existing plan will be reported to the Board on 29 June 2021. The Best Value Framework was reviewed and approved in a revised form on 18 March 2021. An internal audit of financial planning found control to be effective (24 February 2021).

Internal audit and the Audit Risk & Governance Committee comply with the CIPFA Public Sector Internal Audit Standards. The Internal Audit Annual Plan 2020/21, including the review of the system of internal control, was approved on 4 March 2020 and the Internal Audit Annual

Report on 27 May 2020. The annual plan was completed with internal audit reports considered by committee throughout the year.

The Board's Risk Register was reviewed by the committee on 9 September 2020 and 24 February 2021. High risks were reported separately to the committee on 27 May 2020 and 2 December 2020. The Board received its annual report on the Risk Register on 10 November 2020. The Risk Management Annual Report was considered on 27 May 2020.

The annual performance report was approved and published in accordance with the statutory deadline. Interim performance reports were considered at the Board on 10 November 2020 and 18 March 2021. A comprehensive log of directions to health board and council and their implementation was included for the first time. An internal audit of performance management found control to be effective (2 December 2020).

Assurance reports on health and care governance and from the Clinical Director and the Chief Social Work Officer were presented to the Board. Regular information was provided to the Board in relation to the Care Homes Oversight Team established under COVID guidance. The Strategic Planning Structure was reviewed by the Board on 18 March 2021. An Action Plan was approved arising from the external Joint Inspection of Strategic Planning.

Reports were presented to committee and to the Board in relation to the risks of and planning carried out in relation to the UK's withdrawal from the EU and on COVID-related risks. The Chief Officer's reports to the Board provided information relating to the pandemic and its effect on service delivery. Meetings of Board, committee and Strategic Planning Group took place as planned during the year by remote access. No additional powers had to be sought or put in place.

Further work to be progressed in a number of areas during 2021/22 including ensuring compliance with the Data Protection Act.

3. Effective Use of Resources

Financial assurance of IJB budget resources was undertaken and reported to the Board on 10 March 2020 as part of 2020/21 budget setting process. Further assurance of the approved 2020/21 budget contributions was reported to the Board on 30 June 2020.

Finance updates on the 2020/21 budget were provided to each Board meeting during the year including information on key risk areas and progress towards the achievement of savings.

The financial implications associated with Covid-19 were a major risk during 2020/21. The Board was provided with updates throughout 2020/21 on funding and expenditure implications associated with the pandemic. Through ongoing monitoring and regular Mobilisation Plan returns to the Scottish Government, funding was provided to meet additional 2020/21 costs and funding has also been provided to meet ongoing costs and this will be carried forward through IJB reserves. The financial implications associated with the pandemic will continue to be closely monitored during 2021/22.

An update on the financial outlook to 2022/23 was reported to the Board on 30 June 2020 and a balanced budget position for 2021/22 was reported to the Board on 18 March 2021. A further update on the 2021/22 budget and 2022/23 budget position will be reported to the Board on 29 June 2021. This will highlight that there remains uncertainty at this stage around the resulting financial implications from COVID-19 over 2021/22 and future years.

The IJB's Performance Management focuses on embedding a performance management culture throughout its activities. Performance is systematically measured across all areas of activity and performance reports are regularly scrutinised by managers and Board members.

The statutory Annual Performance Report for 2020/21 will be reported to the June 2021 Board meeting.

4. Partnership and Collaborative Working

Strategic Commissioning Plans and Locality Plans are in place and reflect extensive engagement with partners. Substantial work has been undertaken during 2020/21 to review strategic commissioning plan progress and consider the implications and learning from Covid-19.

Recognising the important role that carers have to play in health and social care delivery, a new Carers Strategy was developed during 2020/21 in conjunction with carers. A new Carers Strategy Implementation Group has been established to oversee progress and shape direction.

A collaborative approach was adopted to the production of an interim workforce plan as required by the Scottish Government. Development of the plan involved engagement with a wide range of stakeholders from across health and social care including the third and independent sectors, trade unions and statutory services.

Significant efforts have been made during 2020/21 to maintain health and social care service delivery during the pandemic. This has involved close working with partner bodies and a full range of stakeholders including the voluntary sector, care providers and the community to ensure delivery of care and sustainability of service provision.

Focus on hospital discharge planning, revised arrangements for co-ordination and a more integrated partnership approach have resulted in significant improvement in delayed discharges over the past year.

The Chief Officer met regularly with Lothian Chief Officers and the national Chief Officer Group during the year, and regularly engaged with Health and Social Care Scotland, a collaboration of health and social care leaders and managers across health and social care partnerships.

The Chief Finance Officer works closely with staff from the Health Board and Local Authority on annual budgeting and medium term financial planning and is a member of the national Chief Finance Officer Network.

5. Working with Communities

The IJB's Communication and Engagement Strategy sets out how communities and stakeholders will be involved in the planning and delivery of services with the ultimate objective of improving outcomes for patients and service users by contributing to the delivery of the IJB's strategic priorities.

The strategy emphasises a co-production approach and includes a commitment to use the National Standards of Community Engagement.

The arrangements agreed for the Strategic Planning Group include the remit of Locality Planning and a membership across partner bodies and the wider community, including greater service user representation. The IJB's approach to strategic planning is built on a foundation of service review and continuous improvement.

A Health and Wellbeing sub group of the Community Planning Partnership has representation from the IJB, as well as a wide range of other community stakeholders, and is working to improve physical and mental wellbeing in local communities, focussing in particular on the impact of the pandemic.

In December 2020, the West Lothian Suicide Prevention Action Plan 2020 -2023 was published with input from officers supporting the IJB. The plan outlines the actions to be taken forward by the Community Planning Partnership to ensure that suicide prevention is not only a strategic priority but also has practical and operational focus across partner organisations working with communities.

Work is progressing with NHS National Services on a digital discovery programme to better understand barriers to health screening and to use learning and data to explore how community-based assets can support individuals with screening activities. The project supports the IJB's strategic aims of tackling inequality and early intervention and prevention.

6. Sustainable Development

In line with the Climate Change (Scotland) Act 2009, the IJB publishes an annual Climate Change Report. The IJB acknowledges its position of responsibility in relation to tackling climate change in West Lothian and in its Strategic Plan 2019-23, has committed to influencing and encouraging an environmentally responsible approach to the provision of health and social care services in West Lothian wherever possible, through its strategic aims and decision-making processes.

On 9 March 2021, the IJB held a development session with the Council and Health Board to seek assurances on their sustainability policies in relation to the commissioning and provision of services on the IJB's behalf, and to identify further opportunities to operate more efficiently and sustainably.

In addition, the IJB has reviewed its standard report template to ensure that the section on sustainability and impact on the environment is prominent and properly utilised by the author, and scrutinised by Board Members as part of Integrated Impact Assessments. The IJB will continue to work with colleagues in the Council and Health Board to identify opportunities to operate more efficiently and sustainably.

7. Fairness and Equality

Partnership working is in place with community planning partners to ensure there are robust supports in place for people most in need. There is close working arrangements with the West Lothian Anti Poverty and Health and Wellbeing Working Group to inform decision making and prioritisation of service delivery and resources.

The Scottish Government added Joint Integration Boards to Schedule 19 of the Equality Act 2010 and to The Equality Act 2010 (specific duties) Regulations 2016 in April 2016 and all IJBs are subject to the Specific Duties, which require the publication of a report on mainstreaming equality and progress against equality outcomes every two years.

The IJB has published its Mainstreaming Report and Equality Outcomes for 2021 – 2025. The IJB agreed three new equality outcomes at its meeting of 20 April 2021 for the period 2021-25:

- 1) People with protected characteristics are directly able to influence how the IJB plans and commissions services
- 2) Adults with a disability are supported and empowered to access their community safely
- 3) Older People are supported and empowered to keep well and live in a homely setting for as long as possible

It is intended the three outcomes agreed by the IJB will help some of the most disadvantaged of those we plan and commission services for and will contribute to the IJB's vision, "To increase wellbeing and reduce health inequalities across all communities in West Lothian".

Conclusions Drawn from Report

The Framework requires officers to complete an assessment of the achievement of best value based on evidence and examples during the year which are consistent with, and demonstrate, best value as set out in legislation, ministerial and Audit Scotland Guidance.

Based on the assessment undertaken, the IJB has demonstrated substantial compliance with Best Value based on the Best Value Framework agreed. Some areas for further development have been identified, which are consistent with the conclusions in the annual governance statement.

Matters for Forward Periods	Areas for further consideration during 2021/22 include ensuring compliance with the Data Protection Act requirements and continuing to progress the actions from the Joint Inspection of Strategic Planning.	
Certificate by Chief Finance Officer	On the basis of the statements provided above, I certify that Best Value duties were substantially complied with in 2020/21.	
Signature	Patrick Welsh	Date 17 June 2021

Date	17 June 2021
Agenda Item	8



Report to West Lothian Integration Joint Board Audit Risk & Governance Committee

Report Title: Local Code of Corporate Governance 2020/21

Report By: Standards Officer

Summary of Report and Implications	
Purpose	This report: (tick any that apply).
	- seeks a decision <input checked="" type="checkbox"/>
	- is to provide assurance <input type="checkbox"/>
	- is for information <input type="checkbox"/>
	- is for discussion <input type="checkbox"/>
	To consider the completed Local Code of Corporate Governance for 2020/21.
Recommendations	<ol style="list-style-type: none"> To consider review the completed Local Code of Corporate Governance for 2019/20 in Appendix 2 and accept its assessment of compliance To note that the Code was a significant factor in preparing the draft annual governance statement for approval by the committee
Directions to NHS Lothian and/or West Lothian Council	A direction(s) is not required.
Resource/ Finance/ Staffing	N/A
Policy/Legal	Public Bodies (Joint Working) (Scotland) Act 2014; Public Bodies (Joint Working) (Integration Joint Boards) (Scotland) Order 2014; Board's Standing Orders
Risk	IJB001, Governance Failure
Equality, Health Inequalities, Environmental and Sustainability Issues	The report has been assessed as having no relevance with regard to equality or the Public Sector Equality Duty. As a result, an equality impact assessment has not been conducted.

Strategic Planning and Commissioning	N/A
Locality Planning	N/A
Engagement	N/A

Terms of Report

- 1 The accounting and governance regime which applies to the Board includes the adoption and use of a code of corporate governance. Such a code has to be designed around a framework and guidance produced by CIPFA (Chartered Institute of Public Finance & Accountancy) and SOLACE (Society of Local Authority Chief Executives) called "Delivering Good Governance in Local Government Framework (2016)". After consideration and recommendation by the committee, the Board adopted its Code on 1 May 2018. The content of the Code and the arrangements for its completion and reporting were formally reviewed in 2019/20.
- 2 The Code is designed to record the principles of good governance under which the Board will operate and 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. It is recognised that good governance helps to ensure good decision-making.
- 3 In September 2019, the Board delegated authority to the Chief Officer to add new standards to the Code where required, and to update existing standards where there are changes to legislation or terminology. No such changes have been made. There are no standards recommended to be deleted this year.
- 4 The committee also indicated in June 2019 that there was added value in the committee having sight of the fully populated Code and so it has been presented separately from the annual governance statement again this year.
- 5 Although COVID-19 is mentioned in some places in the populated Code, as was the case last year no additional standards have been suggested arising from the emergency. There was no significant disruption to governance arrangements and the governance structures and controls were able to be used without requiring amendment. A short section about COVID-19 has been added to the annual governance statement as recommended in April 2020 by CIPFA and again in 2021.
- 6 There is a hierarchy in the Framework built around seven over-arching principles of good governance. There is a narrative description of each principle. Each is broken down into its constituent elements or sub-principles. These are deconstructed further, by illustrations and descriptions of appropriate behaviour and practices. Finally, there is a non-exhaustive list of some suggested sources or types of possible evidence.
- 7 The diagram in Appendix 1 attempts to show the seven principles, the way they interact and a short list of the most significant sources of evidence for each.
- 8 The process for using the Code starts with a consideration of the suggested sources of evidence against each sub-principle (A1, A2, etc.) in the context of the over-arching principle (A, B, etc.). Officers look at the Board's compliance in three parts: (a) approach (what must the Board do and

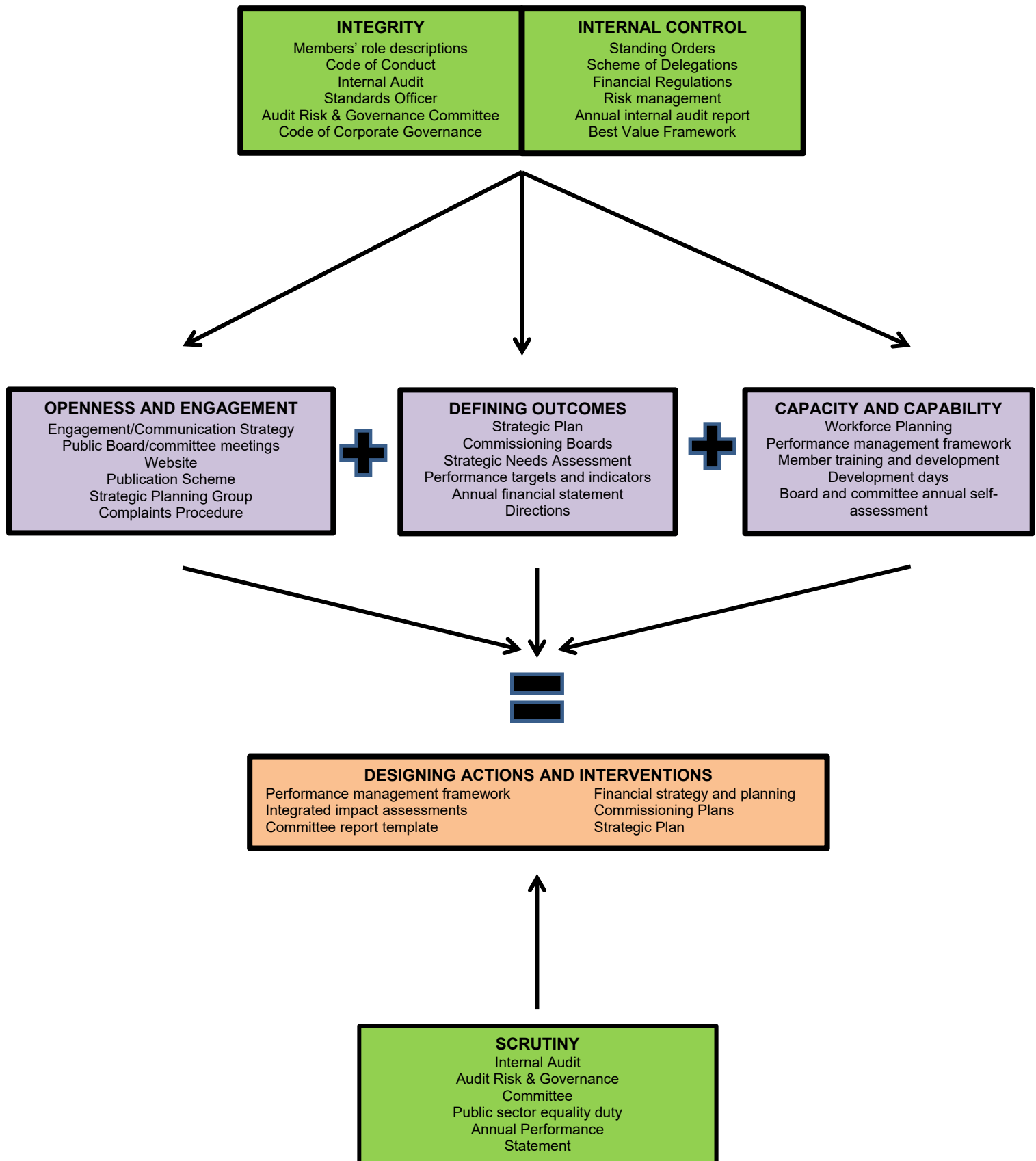
what has the Board said it will do?); (b) implementation (is there evidence that the Board is doing that?); and (c) review (are there appropriate arrangements to review approach and implementation?)

- 9 Officers then provide a very brief commentary and will identify any areas of concern or room for improvement. They assess and rate each as: (a) exceeding the standard (green); meeting the standard (amber); or requiring improvement (red). Improvement actions are identified for those matters of concern and progress is monitored and reported.
- 10 The populated Code for 2020/21 is in Appendix 2. It is one of the sources relied on when preparing the annual governance statement, along with the review of the system of internal control, the best value compliance statement, and the monitoring and reporting on issues of concern from previous years. All are reported separately at the same meeting as this report.
- 11 A comparison with the Code for last year again shows considerable improvements in compliance. There has been a very substantial degree of progress in tackling the governance issues identified in last year's annual governance statement. That progress has been reported and accepted by the committee in the reports it receives about progress against the list of outstanding issues.
- 12 Standards highlighted in amber/orange are those which are considered to require some attention in 2020/21. There are none that are considered to deserve a "red" rating, since work is underway and risks caused by delay or failure to complete have been considered.

Appendices	<ol style="list-style-type: none"> 1. Governance principles illustration 2. Local Code of Corporate Governance 2020/21
References	<p>Public Bodies (Joint Working) (Scotland) Act 2014, section 13; Local Government (Scotland) Act 1973, Part 7; Local Government in Scotland Act 2003, Part 1</p> <p>Integration Scheme, pages 6 and 7</p> <p>Delivering Good Governance in Local Government - Framework and Guidance Notes for Scottish Authorities (CIPFA/SOLACE, 2016); CIPFA Bulletin 06/2021 – Application of the Good Governance Framework 2020/21; CIPFA Financial Management Code (2019)</p> <p>Audit, Risk & Governance Committee, 27 May 2020</p> <p>Integration Joint Board, 22 September 2020</p>
Contact	<p>James Millar, Standards Officer</p> <p>01506 281613, james.millar@westlothian.gov.uk</p>

APPENDIX 1

GOVERNANCE PRINCIPLES AND COMMON SOURCES OF EVIDENCE



APPENDIX

LOCAL CODE OF CORPORATE GOVERNANCE 20/21

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	Adopted 31 May 2016, approved by Ministers 21 June 2016, published on internet. Biannual Register reminders issued. Information sent on <i>ad hoc</i> basis throughout the year. Scheduled review for December 2019 postponed till after Scottish Government review of Model Code. Annual report to IJB in November 2020. Detailed response to Scottish Government consultation on revised Model Code. Presentation to members on 27 May 2021. Awaiting legislation before proceeding with review of own Code postponed in 2019/20	G

A1. Behaving with integrity		
Register of Interests	Register forms completed by all incoming members. Register compiled and published on internet. Bi-annual reminders to members. Register completed for new members. Scheduled review for December 2019 postponed till after Scottish Government review of Modal Code. Detailed response to Scottish Government consultation on revised Model Code. Awaiting legislation before proceeding with review postponed in 2019/20	G
Role descriptions for members	Agreed at IJB on 29 January 2019. Reviewed, revised and approved by IJB in March 2021. Agreed to review triennially in future	G
Declarations of Interest as standing item and recorded in minutes	Agendas and minutes show full compliance	G
Standing Orders for meeting procedures, including conduct at meetings	Standing Orders comply with legislation. Approved 20 October 2015. Amended April 2016 and September 2018 to reflect legislative change and IJB decisions. Reviewed 5 December 2017 and again in January 2020. Amended and republished.	G
Meetings held in private only with legal justification and to least extent possible, and minutes record reasons	Standing Orders contain restricted list of grounds to justify private reports and meetings. Standing Orders have process for holding reports back from publication and require decision to be taken by the meeting itself, not officers or the Chair. Only private items taken in 2020/21 were at Appointments Committee concerning recruitment and appointment of Chief Officer	G
Reports on standard template ensuring relevant information provided	Standard template used for meetings of IJB and committees. Implemented in May 2015 and formally adopted in October 2015. Reviewed in February 2019, approved at Board on 12 March 2019, implemented from April 2019. Reviewed, revised and approved by IJB in January 2021, with immediate effect	G

A1. Behaving with integrity		
Engagement in community planning	Community Planning officers from the council are represented on the Locality Groups to ensure a partnership approach to working and prevent duplication of effort where possible. Chief Officer attends CPPB meetings. Reported now through Chief Officer's report as a standing item at Board meetings. Report on anti-poverty work in January 2021	G
Values and mission statement adopted	Vision and values set out in Strategic Plan following consultation on the IJB's Vision, Values and Strategic Priorities from August to November 2018. Incorporation of integration planning principles, integration delivery principles, national health and wellbeing outcomes. Strategic Plan approved by Board. Strategic Plan 2019/23 reviewed and approved in April 2019	G
Anti-fraud and corruption policy and procedures	No policy or procedure in place. Board has no bank account, no employees and no contractual powers so little risk of inducements/bribes or theft. Reliant on partners' policies and procedures. Considered by senior officers in February 2020. Concluded that no separate policy was required for the IJB and that assurance can be taken from policies and procedures in council and health board	G
Whistleblowing policy and procedures	No policy or procedure in place. Board has no employees and no contractual powers. Considered by senior officers in February 2020. Concluded that no separate policy was required for the IJB and that assurance can be taken from policies and procedures in council and health board	G
Strategic Plan outcomes	Strategic Plan developed through Strategic Planning Group and following public consultation. Initial plan approved by IJB 31 March 2016. Revised plan 2019/23 approved at IJB on 23 April 2019 supported by suite of documents such as commissioning plans and integrated impact assessment. New supporting structure of Planning & Commissioning Boards approved in April 2019. Minutes of SPG reported regularly to Board. Internal audit reported to committee in December 2019, control satisfactory. Updates on Strategic Commissioning Plan to IJB in September 2020, November 2020 and March 2021. Structure reviewed by IJB in April 2021. Actions agreed following Joint Inspection of Strategic Planning	G

A1. Behaving with integrity		
Training on ethical standards and conduct	Annual report on Code at IJB on 26 November 2019. Presentation scheduled for development session in early 2020, cancelled due to COVID19. Advice circulated on Standards Commission's guidance on role of IJB members. Biannual Register reminders issued. Annual report in November 2020. Annual presentation delayed due to COVID. Presentation covering two years given to members on 27 May 2021. Fuller engagement required when new Model Code is approved by Scottish Parliament.	G
Officer Codes of Conduct and declarations of interest	IJB has no employees. Reliance on Employee Codes of Conduct and registers/declarations procedures of council and health board. Method of gaining assurance from them should be considered. Considered senior officers in February 2020. Concluded that no separate policy was required for the IJB and that assurance can be taken from policies and procedures in council and health board	G
Local Code of Corporate Governance	Local Code based on 2016 CIPFA/SOLACE framework developed during 2017/18 and reported to AR&GC in September and December 2017 and March 2018. Approved by IJB on 1 May 2018 for use in 2017/18 reporting. Code reviewed and approved at Board in September 2019. Process approved for regular review via SMT. Scheduled for review in December 2021	G
Audit, Risk & Governance Committee	Remit and powers approved on 5 April 2016, included in and governed by Standing Orders. Remit updated on 5 December 2017 and 1 May and 24 September 2018. Compliant with PSIAS and CIPFA Guidance. Compliant with statutory accounts regulations requirements. Remit reviewed in January 2020. Amended and republished. Due for review again in January 2022	G
Internal Audit Service (PSIAS)	Internal Auditor appointed. Service operates per PSIAS. Internal Audit Annual Plan, Annual Reports and <i>ad hoc</i> reports give assurance to Board. Same from external auditors. Agreed in February 2021 to discuss with other Lothian Chief officers arrangements for NHS Lothian assistance with IJB internal audits and for cooperation with partners, report due to AR&GC on 17 June 2021	G

A1. Behaving with integrity		
Annual Governance Statement	Statements compliant with 2016 CIPFA/SOLACE Framework. Approved timeously for inclusion in annual accounts. Informed by prior consideration of review of system of internal control and Best Value Framework. Areas of concern highlighted to AR&GC. Under regular review at SMT. Included additional information on COVID in 2019/20, per CIPFA Guidance. Interim report on issues of concern to AR&GC in May 2020 and December 2020. Will include additional information on COVID and CIPFA FM Code compliance in 2020/21, per CIPFA Guidance	G
Compliance with Integration Scheme and regulatory/reporting regimes	Arrangements put in place over time and as and when required by law. Being reviewed through Internal Audit of governance arrangements, reported in December 2018 to require further work. Consideration in particular to GDPR, PSED and SLAs for support services. AR&GC agreed in December 2019 that no further formal arrangements were required. Annual review in September 2020 via Chief Officer report, no changes needed. Internal audit of IJB	G

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	Adopted 31 May 2016, approved by Ministers 21 June 2016, published on internet. Annual report on Code at IJB on 26 November 2019. Presentation scheduled for development session in early 2020, cancelled due to COVID19. Advice circulated on Standards Commission's guidance on role of IJB members. Biannual Register reminders issued. Scheduled review for December 2019 postponed till after Scottish Government review of Modal Code. Presentation to board members on 27 May 2021	G

A2. Demonstrating strong commitment to ethical values		
Register of Interests	Register forms completed by all incoming members. Register compiled and published on internet. Bi-annual reminders to members. Annual report on Code at IJB on 26 November 2019. Presentation scheduled for development session in early 2020, cancelled due to COVID19. Advice circulated on Standards Commission's guidance on role of IJB members. Biannual Register reminders issued. Scheduled review for December 2019 postponed till after Scottish Government review of Modal Code	G
Declarations of Interest as standing item and recorded in minutes	Agendas and minutes show full compliance	G
Standing Orders for meeting procedures, including conduct at meetings	Standing Orders comply with legislation. Approved 20 October 2015. Amended April 2016 and September 2018 to reflect legislative change and IJB decisions. Reviewed 5 December 2017 and again in January 2020. Amended and republished, Due for review again in January 2022	G
Reports on standard template ensuring relevant information provided	Standard template used for meetings of IJB and committees. Implemented in May 2015 and formally adopted in October 2015. Reviewed in February 2019, approved at Board on 12 March 2019, implemented from April 2019. Reviewed, revised and approved by IJB in January 2021, with immediate effect	G
Values and mission statement adopted	Vision and values set out in Strategic Plan following consultation on the IJB's Vision, Values and Strategic Priorities from August to November 2018. Incorporation of integration planning principles, integration delivery principles, national health and wellbeing outcomes. Strategic Plan approved by Board. Strategic Plan 2019/23 reviewed and approved in April 2019	G
Anti-fraud and corruption policy and procedures	No policy or procedure in place. Board has no bank account, no employees and no contractual powers so little risk of inducements/bribes or theft. Reliant on partners' policies and procedures. Considered by senior officers in February 2020. Concluded that no separate policy was required for the IJB and that assurance can be taken from policies and procedures in council and health board	G

A2. Demonstrating strong commitment to ethical values		
Whistleblowing policy and procedures	No policy or procedure in place. Board has no employees and no contractual powers. Considered by senior officers in February 2020. Concluded that no separate policy was required for the IJB and that assurance can be taken from policies and procedures in council and health board	G
Strategic Plan outcomes	Strategic Plan developed through Strategic Planning Group and following public consultation. Initial plan approved by IJB 31 March 2016. Revised plan 2019/23 approved at IJB on 23 April 2019 supported by suite of documents such as commissioning plans and integrated impact assessment. New supporting structure of Planning & Commissioning Boards approved in April 2019. Minutes of SPG reported regularly to Board. Internal audit reported to committee in December 2019, control satisfactory. Updates on Strategic Commissioning Plan to IJB in September 2020, November 2020 and March 2021. Structure reviewed by IJB in April 2021. Actions agreed following Joint Inspection of Strategic Planning	G
Training on ethical standards and conduct	Annual report on Code at IJB on 26 November 2019. Presentation scheduled for development session in early 2020, cancelled due to COVID19. Advice circulated on Standards Commission's guidance on role of IJB members. Biannual Register reminders issued. Annual report in November 2020. Annual presentation delayed due to COVID. Presentation covering two years to members on 27 May 2021. Fuller engagement required when new Model Cod is approved by Scottish Parliament.	G
Officer Codes of Conduct and declarations of interest	IJB has no employees. Reliance on Employee Codes of Conduct and registers/declarations procedures of council and health board. Method of gaining assurance from them should be considered. Considered senior officers in February 2020. Concluded that no separate policy was required for the IJB and that assurance can be taken from policies and procedures in council and health board	G

A2. Demonstrating strong commitment to ethical values		
Commissioning arrangement and Directions	Commissioning plans developed and implemented for thematic groups: Regular reports on progress to the SPG and Board. Plans reviewed and approved in 2019 for period till 2023. Directions developed and issued in accordance with delegated functions on annual basis. General suite issued before end of each financial year, latest in March 2021. More detailed strategic directions issued on an <i>ad hoc</i> basis. Report template includes section on requirement for directions. Approach reviewed in September 2020 against Scottish Government guidance issued in February 2021. Log of Directions reported in November 2020	G
Ethical values feature in contracts with external service providers	Considered by senior officers in February 2020. Concluded that no separate policy was required for the IJB and that assurance can be taken from policies and procedures in council and health board	G
Officer performance appraisals include standards of conduct	Considered by senior officers in February 2020. Concluded that no separate policy was required for the IJB and that assurance can be taken from policies and procedures in council and health board. Workforce planning amongst partners provides assurance	G

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

A3. Respecting the rule of law		
Reports on standard template ensuring relevant information provided	Standard template used for meetings of IJB and committees. Implemented in May 2015 and formally adopted in October 2015. Reviewed in February 2019, approved at Board on 12 March 2019, implemented from April 2019. Reviewed, revised and approved by IJB in January 2021, with immediate effect	G
Reports ensure demonstration that legal advice has been considered	Standard template used for meetings of IJB and committees. Implemented in May 2015 and formally adopted in October 2015. Reviewed in February 2019, approved at Board on 12 March 2019, implemented from April 2019. Includes relevant section about legal implications and advice. Review in February 2021. Reviewed, revised and approved by IJB in January 2021, with immediate effect	G
Standing Orders to ensure professional advice is given	Standing Order 5.6 ensures access to IJB by Chief Social Work Officer and Clinical Chief Officer. Standing Order 8.2 requires the Chair to allow officers to speak if desired. Standing Order 11.1 entitles officers to address the meeting on a report. Standing Order 14.3 requires significant legal and other advice to be minuted. Reviewed in January 2020. Amended and republished. Due for review again in January 2022	G
Defined committee remits and powers	Remits and powers of all committees, working groups and Strategic Planning Group approved by IJB. Committees must apply Standing Orders to their meetings. Remits reviewed in January 2020. Amended and republished. Due for review again in January 2022	G
Scheme of Delegation to Officers	Approved at IJB on 31 January 2017. Allocate responsibility and accountability to appropriate officers. Complemented by same documents for council and health board. Reviewed in January 2020. Amended and republished, Due for review again in January 2022	G
Role descriptions for members	Agreed at IJB on 29 January 2019. Reviewed, revised and approved by IJB in March 2021. Agreed to review triennially in future	G

A3. Respecting the rule of law		
Finance Officer role identified and supported (CIPFA's Statement on the Role of the Chief Financial Officer in Local Government (CIPFA, 2016))	Role description and duties adopted by Appointments Committee at recruitment. Reflected in Scheme of Delegations to Officers and Financial Regulations. Financial Regulations and Scheme of Delegations reviewed in January 2020. Amended and republished. Due for review again in January 2022. Considered in February 2021 as part of the adoption of the CIPFA FM Code, to be reviewed and updated if required	G
Committee support provided free of influence	Committee Services provided by council for IJB and AR&GC. Managed by Chief Solicitor and supported by Standards Officer. IJB agreed on 10 October 2015 that minutes were for Committee Officers to draft with no influence or comment by senior officers or IJB members	G
Record maintained of legal advice provided by officers	Report template designed to record legal issues. Standing Order 14.3 requires significant legal and other advice to be minuted. Style/content of minutes reviewed and approved in March 2020. Template reviewed, revised and approved by IJB in January 2021, with immediate effect	G
Standards Officer	Standards Officer role description agreed by IJB in January 2015 and appointment made. Appointment approved by Standards Commission on 29 March 2016. No review date fixed. May be revisited when revised Model Code and associated guidance are published in 2021/22	G
Internal Audit Service (PSIAS)	Internal Auditor appointed. Service operates per PSIAS. Internal Audit Annual Plan, Annual Reports and <i>ad hoc</i> reports give assurance to Board. Same from external auditors. Agreed in February 2021 to discuss with other Lothian Chief Officers arrangements for NHS Lothian assistance with IJB internal audits and other cooperation with partners, report due to AR&GC on 17 June 2021	G
Anti-fraud and corruption policy and procedures	No policy or procedure in place. Board has no bank account, no employees and no contractual powers so little risk of inducements/bribes or theft. Reliant on partners' policies and procedures. Considered by senior officers in February 2020. Concluded that no separate policy was required for the IJB and that assurance can be taken from policies and procedures in council and health board	G

A3. Respecting the rule of law		
Whistleblowing policy and procedures	No policy or procedure in place. Board has no employees and no contractual powers. Considered by senior officers in February 2020. Concluded that no separate policy was required for the IJB and that assurance can be taken from policies and procedures in council and health board	G
Locality Groups	Original approach to localities reviewed and updated in September 2019 when Strategic Planning Group and Locality Groups were reviewed and changes approved in November 2019. The Groups are made up of a wide range of stakeholders and meet as part of the Strategic Planning Group. Minutes reported to Board meetings. Terms of reference to be reviewed annually. Structure reviewed in March 2021 following Joint Inspection of Strategic Planning	G
Engagement/consultation strategy	The IJB agreed its Participation and Engagement Strategy 2016/26 on 31 January 2017, to be reviewed in January 2020. Carried out at Board in January 2020. Replacement Communication and Engagement Strategy 2020/23 approved. Annual report required, covered in Chief Officer report in September 2020	G

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	Vision and values set out in Strategic Plan following consultation on the IJB's Vision, Values and Strategic Priorities from August to November 2018. Incorporation of integration planning principles, integration delivery principles, national health and wellbeing outcomes. Strategic Plan approved by Board. Strategic Plan 2019/23 reviewed and approved in April 2019	G
FOISA/EIRS publication scheme	Publication Scheme in accordance with legislation and guidance adopted on 31 October 2017. Reviewed and approved in February 2019. Published on the IJB section of the HSCP website. Updated in February 2019. Under control of media and web content management group established under Communications and Engagement Strategy approved in January 2020. Review of Publication Scheme required	A
Website	All documents requiring to be in the public domain are published online, either in the form of reports and minutes on the council's COINS website or on the IJB pages of the HSCP website. Content substantially revised and updated on new format of webpages. Covered in Communications and Engagement Strategy approved in January 2020. Under control of media and web content management group	G

B1. Openness		
Online service information	The IJB page on the HSCP website contains details of the IJB's Strategic Plan, performance report, services and information on how to make a complaint. Content substantially revised and updated on new format of webpages. Covered in Communications and Engagement Strategy approved in January 2020. Under control of media and web content management group	G
Standing Orders	Standing Orders comply with legislation. Approved 20 October 2015. Amended April 2016 and September 2018 to reflect legislative change and IJB decisions. Reviewed 5 December 2017 and again in January 2020. Amended and republished. Due for review again in January 2022	G
Calendar of dates for submitting and publishing reports	Annual calendar of scheduled meetings agreed. Standing Orders 5.2 and 6.1 require agenda and reports issued five clear days beforehand and made available to public four clear days before	G
Assessment and review of information provided for decision-making	Standard template used for meetings of IJB and committees. Implemented in May 2015 and formally adopted in October 2015. Reviewed in February 2019, approved at Board on 12 March 2019, implemented from April 2019. Reviewed, revised and approved by IJB in January 2021, with immediate effect	G
Committee report templates	Standard template used for meetings of IJB and committees. Implemented in May 2015 and formally adopted in October 2015. Reviewed in February 2019, approved at Board on 12 March 2019, implemented from April 2019. Reviewed, revised and approved by IJB in January 2021, with immediate effect	G
Public engagement strategy	The IJB agreed its Participation and Engagement Strategy 2016/26 on 31 January 2017, to be reviewed in January 2020. Carried out at Board in January 2020. Replacement Communication and Engagement Strategy 2020/23 approved. Annual report required, covered in Chief Officer report in September 2020	G

B1. Openness		
Feedback will be incorporated from consultation where appropriate.	The IJB agreed its Participation and Engagement Strategy 2016/26 on 31 January 2017, to be reviewed in January 2020. Results of consultations on website. Carried out at Board in January 2020. Replacement Communication and Engagement Strategy 2020/23 approved. Annual report required, covered in Chief Officer report in September 2020	G
Record of professional advice in reaching decisions	Standard template used for meetings of IJB and committees. Implemented in May 2015 and formally adopted in October 2015. Reviewed in February 2019, approved at Board on 12 March 2019, implemented from April 2019. Reviewed and revised in January 2021, with immediate effect. Style/content of minutes reviewed and approved in March 2020	G
Record of decision making and supporting materials	Report templates provide for all professional and legal advice. Minutes record advice and decisions. Style/content of minutes reviewed and approved in March 2020	G
Meeting reports show details of advice given	Standard template used for meetings of IJB and committees. Implemented in May 2015 and formally adopted in October 2015. Reviewed in February 2019, approved at Board on 12 March 2019, implemented from April 2019. Reviewed and revised in January 2021, with immediate effect. Style/content of minutes reviewed and approved in March 2020	G
Equality impact assessment procedure	IJB report templates include a mandatory section on whether the report is relevant to equalities and whether an Equality Impact Assessment has been conducted. Reviewed in February 2019, approved at Board on 12 March 2019, implemented from April 2019. Reviewed and revised in January 2021, with immediate effect. Style/content of minutes reviewed and approved in March 2020	G
Regular public performance reporting	Agreed suite of indicators and performance framework. Reports to SPG and IJB every six months. Annual performance reports published and all available on the internet. Strategic Plan includes section on performance monitoring and reporting. Performance reports to IJB. Review of indicators instructed by IJB in March 2021. Log of Directions reported for first time in November 2020. Internal audit of performance management in December 2020 found control to be effective	G

B1. Openness		
Annual performance report	Annual Performance Report completed in accordance with guidelines and approved in draft by IJB in June each year, published per statutory deadline thereafter. Work Plan and reporting cycle appear at every IJB and AR&GC meeting to ensure compliance is monitored. Review of indicators instructed by IJB in March 2021. Internal audit of performance management in December 2020 found control to be effective	G
Complaints policy and procedure	Complaint Handling Procedure approved by the Complaints Standards Authority on 29 November 2017. Adopted by IJB on 5 December 2017. Quarterly reports submitted to IJB, now part of Chief officer's report. Procedure requires review in 2020/21. The Complaints Standards Authority has published a new Model Complaints Handling Procedure (MCHP) and requested that Integration Authorities review their own Complaints Handling Procedure before 1 April 2021	A

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	The IJB agreed its Participation and Engagement Strategy 2016/26 on 31 January 2017, to be reviewed in January 2020. Carried out at Board in January 2020. Replacement Communication and Engagement Strategy 2020/23 approved. Annual report required, full review in January 2023	G
Purpose and effectiveness reviewed	AR&GC and IJB self-assessment questionnaires approved, used each year and included in calendar/cycle of reporting. Strategic plan reviewed and approved in 2019. Full membership review carried out and reported in March 2020.	G

B2. Engaging comprehensively with institutional stakeholders		
Partnership guidance	No formal guidance in place for partnership working, e.g., with health board or VSG or Scottish Police of SF&RS. Consider if this is required or whether assurance can be obtained from council and health board. Assurance can be taken from partners' arrangements. Internal audit of IJB governance in December 2020 found control to be effective	G
Liaison and planning arrangements with WLC, NHS and other Lothian IJBs	Participation in Lothian Integrated Care Forum (formerly Lothian Strategic Planning Forum) agreed in principle in January 2019. Lothian Finance Forum established amongst Finance Officers of IJBs, councils and health boards. Activities covered in Chief Officer's report as a standing item at Board meetings	G

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		
Evidence	Comments	Rating
Public engagement strategy	The IJB agreed its Participation and Engagement Strategy 2016/26 on 31 January 2017, to be reviewed in January 2020. Carried out at Board in January 2020. Replacement Communication and Engagement Strategy 2020/23 approved. Annual report required, carried out via Chief Officer's report in September 2020. Full review in January 2023	G

B3. Engaging with individual citizens and service users effectively		
Communications strategy	The IJB agreed its Participation and Engagement Strategy 2016/26 on 31 January 2017, to be reviewed in January 2020. Carried out at Board in January 2020. Replacement Communication and Engagement Strategy 2020/23 approved. Annual report required, carried out via Chief Officer's report in September 2020. Full review in January 2023	G
Board and SPG membership	Membership complies with statutory regulations. All IJB members complete disqualification form on appointment. Membership reviewed on 14 March 2017 and 26 September 2017. Changes in membership reported to each IJB as a standing item on the agenda. Scheduled review completed and reported to Board in March 2020. Induction procedure in place, August 2020	G
Community planning	Community Planning officers from the council are represented on the Locality Groups to ensure a partnership approach to working and prevent duplication of effort where possible. Chief Officer attends CPPB meetings. Reported now through Chief Officer's report as a standing item at Board meetings. Report on anti-poverty work in January 2021	G
Record of public consultations	The IJB agreed its Participation and Engagement Strategy 2016/26 on 31 January 2017, to be reviewed in January 2020. Report template includes section on consultation. Carried out at Board in January 2020. Replacement Communication and Engagement Strategy 2020/23 approved. Annual report required carried out via Chief officer's report in September 2020. Full review in January 2023	G
Use of consultation feedback	The IJB agreed its Participation and Engagement Strategy 2016/26 on 31 January 2017, to be reviewed in January 2020. Carried out at Board in January 2020. Replacement Communication and Engagement Strategy 2020/23 approved. Records of feedback from large-scale consultations on website. Annual report required, carried out via Chief Officer's report in September 2020. Full review in January 2023	G

B3. Engaging with individual citizens and service users effectively		
Strategic needs assessment	Strategic needs assessment completed to support Strategic Plan and commissioning plans. New supporting structure of Planning & Commissioning Boards approved in April 2019. Strategic Plan reviewed and approved in September 2019. Internal audit reported to committee in December 2019, control satisfactory. Updates on Strategic Commissioning Plan to IJB in September 2020, November 2020 and March 2021. Structure reviewed by IJB in April 2021. Actions agreed following Joint Inspection of Strategic Planning	G
Locality Groups	Original approach to localities reviewed and updated in September 2019 when Strategic Planning Group and Locality Groups were reviewed and changes approved in November 2019. The Groups are made up of a wide range of stakeholders and meet as part of the Strategic Planning Group. Minutes reported to Board meetings. Terms of reference to be reviewed annually. Structure reviewed in March 2021 following Joint Inspection of Strategic Planning	G
Strategic Plan	Strategic Plan developed through Strategic Planning Group and following public consultation. Initial plan approved by IJB 31 March 2016. Subject to annual review with the IJB agreeing to development of replacement plan in March 2018. Revised plan approved at IJB on 23 April 2019 supported by suite of documents such as commissioning plans and integrated impact assessment. New supporting structure of Planning & Commissioning Boards approved in April 2019. Minutes of SPG reported regularly to Board. Internal audit reported to committee in December 2019, control satisfactory. Updates on Strategic Commissioning Plan to IJB in September 2020, November 2020 and March 2021. Structure reviewed by IJB in April 2021. Actions agreed following Joint Inspection of Strategic Planning	G
Complaints policy and procedure	Complaint Handling Procedure approved by the Complaints Standards Authority on 29 November 2017. Adopted by IJB on 5 December 2017. Quarterly reports submitted to IJB, now part of Chief officer's report. Procedure requires review in 2020/21. The Complaints Standards Authority has published a new Model Complaints Handling Procedure (MCHP) and requested that Integration Authorities review their own Complaints Handling Procedure before 1 April 2021	A

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	Vision and values set out in Strategic Plan following consultation on the IJB's Vision, Values and Strategic Priorities from August to November 2018. Incorporation of integration planning principles, integration delivery principles, national health and wellbeing outcomes. Strategic Plan approved by Board. Strategic Plan 2019/23 reviewed and approved in April 2019	G
Annual financial statement	Prepared and approved and published annually. Based on Strategic Plan, budget contributions and priorities. Compliant with legislative requirements. Internal audit of financial planning in December 2020 found control to be effective	G

C1. Defining outcomes		
Directions to health board and council	Directions developed and issued in accordance with delegated functions on annual basis. General suite issued before end of each financial year, latest in March 2020. Directions developed and issued in accordance with delegated functions on annual basis. General suite issued before end of each financial year, latest in March 2020. More detailed strategic directions issued on an ad hoc basis. Report template includes section on requirement for directions. Approach reviewed in September 2020 against Scottish Government guidance issued in February 2020. Log of Directions reported for first time in November 2020	G
Performance recording, monitoring and reporting	Agreed suite of indicators and performance framework. Reports to SPG and IJB every six months. Annual performance reports published and all available on the internet. Strategic Plan includes section on performance monitoring and reporting. Performance reports to IJB. Review of indicators instructed by IJB in March 2021. Internal audit of performance management in December 2020 found control to be effective	G
Strategic Plan	Strategic Plan developed through Strategic Planning Group and following public consultation. Initial plan approved by IJB 31 March 2016. Subject to annual review with the IJB agreeing to development of replacement plan in March 2018. Revised plan approved at IJB on 23 April 2019 supported by suite of documents such as commissioning plans and integrated impact assessment. New supporting structure of Planning & Commissioning Boards approved in April 2019. Minutes of SPG reported regularly to Board. Internal audit reported to committee in December 2019, control satisfactory. Updates on Strategic Commissioning Plan to IJB in September 2020, November 2020 and March 2021. Structure reviewed by IJB in April 2021. Actions agreed following Joint Inspection of Strategic Planning	G
Public engagement strategy	The IJB agreed its Participation and Engagement Strategy 2016/26 on 31 January 2017, to be reviewed in January 2020. Carried out at Board in January 2020. Replacement Communication and Engagement Strategy 2020/23 approved. Annual report required, carried out via Chief Officer's report in September 2020. Full review in January 2023	G

C1. Defining outcomes		
Regular reporting on delivery of outcomes	Agreed suite of indicators and performance framework. Reports to SPG and IJB every six months. Annual performance reports published and all available on the internet. Strategic Plan includes section on performance monitoring and reporting. Performance reports to IJB. Review of indicators instructed by IJB in March 2021. Internal audit of performance management in December 2020 found control to be effective	G
Annual report on delivery of outcomes	Included in the Annual performance Report which is published on or before 31 July each year following approval at IJB in June. Internal audit of performance management in December 2020 found control to be effective	G
Community Planning Partnership	Community Planning officers from the council are represented on the Locality Groups to ensure a partnership approach to working and prevent duplication of effort where possible. Chief Officer attends CPPB meetings. Reported now through Chief Officer's report as a standing item at Board meetings. Report on anti-poverty work in January 2021	G
Risk Management strategy	Risk management Policy and Strategy adopted March 2017. Covers appetite, training, reporting and review. Allocates management responsibilities. Reviewed via AR&GC in March 2018. Standing items at meetings of Audit Risk & Governance Committee (high risks and full risk register alternate). Annual report to IJB	G
Risk management guidance and protocols	Policy and Strategy includes assessment methodology and review procedures and timetables. Actions recorded and monitored through PMT meetings and Pentana	G
Scrutiny of risk arrangements	Risk register reviewed at SMT every two months, at AR&GC every six months, high risks every meeting, and annually at Board meeting	G

C1. Defining outcomes		
Audit Risk & Governance Committee	Remit and powers approved on 5 April 2016, included in and governed by Standing Orders. Remit updated on 5 December 2017 and 1 May 2018. Compliant with PSIAS and CIPFA Guidance. Annual self-assessment undertaken. Compliant with statutory accounts regulations requirements. Reviewed 5 December 2017 and again in January 2020. Amended and republished. Due for review again in January 2022	G
Internal audit service (PSIAS)	Internal Auditor appointed. Service operates per PSIAS. Internal Audit Annual Plan, Annual Reports and ad hoc reports give assurance to Board. Same from external auditors. Agreed in February 2021 to discuss with other Lothian Chief Officers arrangements for NHS Lothian assistance with IJB internal audits and other cooperation, report due to AR&GC on 17 June 2021	G
Best value duty	Considered via AR&GC in September 2018, approved by IJB on 24 September 2018. Compliance statement produced and reported annually, relied on in annual governance statement. Reviewed in 2020/21 and approved at IJB in March 2021	G

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

C2. Sustainable economic, social and environmental benefits		
Goals and values and priorities	Vision and values set out in Strategic Plan following consultation on the IJB's Vision, Values and Strategic Priorities from August to November 2018. Incorporation of integration planning principles, integration delivery principles, national health and wellbeing outcomes. Strategic Plan approved by Board. Strategic Plan 2019/23 reviewed and approved in April 2019	G
Financial strategy for mid to long term	Approach to IJB medium term financial strategy agreed by Board on 27 June 2017. 5 year budget plan reported to Board on 26 June 2018. Updated medium-term financial plans annually since. Regular updates to IJB on financial assurance at every meeting. Full report in March each year when budgets set. EY action agreed in September 2020 to report full new plan by June 2021, monitored through AR&GC. Internal audit in February 2021 of financial planning found control to be effective. CIPFA Financial Management Code adopted in March 2021	G
Strategic Plan	Strategic Plan developed through Strategic Planning Group and following public consultation. Initial plan approved by IJB 31 March 2016. Revised plan 2019/23 approved at IJB on 23 April 2019 supported by suite of documents such as commissioning plans and integrated impact assessment. New supporting structure of Planning & Commissioning Boards approved in April 2019. Minutes of SPG reported regularly to Board. Internal audit reported to committee in December 2019, control satisfactory. Updates on Strategic Commissioning Plan to IJB in September 2020, November 2020 and March 2021. Structure reviewed by IJB in April 2021. Actions agreed following Joint Inspection of Strategic Planning	G
Risk Management strategy	Risk management Policy and Strategy adopted March 2017. Covers appetite, training, reporting and review. Allocates management responsibilities. Reviewed via AR&GC in March 2018. Standing items at meetings of Audit Risk & Governance Committee (high risks and full risk register alternate). Annual report to IJB	G
Risk management guidance and protocols	Policy and Strategy includes assessment methodology and review procedures and timetables. Actions recorded and monitored through SMT meetings and Pentana	G

C2. Sustainable economic, social and environmental benefits		
Scrutiny of risk arrangements	Risk register reviewed at SMT every two months, at AR&GC every six months, high risks every meeting, and annually at Board meeting	G
Audit Risk & Governance Committee	Audit Risk & Governance Committee Remit and powers approved on 5 April 2016, included in and governed by Standing Orders. Remit updated on 5 December 2017 and 1 May 2018. Compliant with PSIAS and CIPFA Guidance. Annual self-assessment undertaken. Compliant with statutory accounts regulations requirements. Reviewed 5 December 2017 and again in January 2020. Amended and republished. Due for review again in January 2022	G
Use of consultation feedback	The IJB agreed its Participation and Engagement Strategy 2016/26 on 31 January 2017, to be reviewed in January 2020. Examples of feedback following large-scale consultations published on website. Carried out at Board in January 2020. Replacement Communication and Engagement Strategy 2020/23 approved. Annual report required, carried out via Chief Officer's report in September 2020. Full review in January 2023	G
Record of professional advice in reaching decisions	Standard template used for meetings of IJB and committees. Implemented in May 2015 and formally adopted in October 2015. Reviewed in February 2019, approved at Board on 12 March 2019, implemented from April 2019. Reviewed, revised and approved by IJB in January 2021, with immediate effect	G
Record of decision making and supporting materials	Standard template used for meetings of IJB and committees. Implemented in May 2015 and formally adopted in October 2015. Reviewed in February 2019, approved at Board on 12 March 2019, implemented from April 2019. Reviewed, revised and approved by IJB in January 2021, with immediate effect. Report template and minutes ensure information is provided and recorded and decisions are captured and reported for approval to next meeting. Style/content of minutes reviewed and approved in March 2020	G
Public sector Equality Duty reporting	The IJB published its Equalities Mainstreaming Report and Equality Outcomes 2017 – 2021 following approval at its meeting of 20 April 2017. Biennial report approved at IJB on 23 April 2019 and 20 April 2021	G

C2. Sustainable economic, social and environmental benefits		
Equality impact assessment procedure (including Fairer Scotland duty)	IJB report templates include a mandatory section on whether the report is relevant to equalities and whether an Equality Impact Assessment has been conducted. Standard template used for meetings of IJB and committees. Implemented in May 2015 and formally adopted in October 2015. Reviewed in February 2019, approved at Board on 12 March 2019, implemented from April 2019. Mainstreaming and PSED report to IJB on 23 April 2019 and 20 April 2021	G
Best value duty	Considered via AR&GC in September 2018, approved by IJB on 24 September 2018. Compliance statement produced and reported annually, relied on in annual governance statement. Reviewed in 2020/21 and approved at IJB in March 2021	G

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	Comment	Rating
Standing Orders for meeting procedures, including conduct at meetings	Standing Orders comply with legislation. Approved 20 October 2015. Amended April 2016 and September 2018 to reflect legislative change and IJB decisions. Reviewed 5 December 2017 and again in January 2020. Amended and republished.	G
Calendar of dates for submitting and publishing reports	Annual calendar of scheduled meetings agreed. Standing Orders 5.2 and 6.1 require agenda and reports issued five clear days beforehand and made available to public five clear days before	G
Assessment and review of information provided for decision-making	Standard template used for meetings of IJB and committees. Implemented in May 2015 and formally adopted in October 2015. Reviewed in February 2019, approved at Board on 12 March 2019, implemented from April 2019. Reviewed, revised and approved by IJB in January 2021, with immediate effect	G

D1. Determining interventions		
Report templates	Standard template used for meetings of IJB and committees. Implemented in May 2015 and formally adopted in October 2015. Reviewed in February 2019, approved at Board on 12 March 2019, implemented from April 2019. Reviewed, revised and approved by IJB in January 2021, with immediate effect	G
Public engagement strategy	The IJB agreed its Participation and Engagement Strategy 2016/26 on 31 January 2017, to be reviewed in January 2020. Carried out at Board in January 2020. Replacement Communication and Engagement Strategy 2020/23 approved. Annual report required, carried out via Chief officer's report in September 2020. Full review in January 2023	G
Use of consultation feedback	The IJB agreed its Participation and Engagement Strategy 2016/26 on 31 January 2017, to be reviewed in January 2020. Report template includes section on consultation. Carried out at Board in January 2020. Replacement Communication and Engagement Strategy 2020/23 approved. Annual report required carried out via Chief officer's report in September 2020. Full review in January 2023	G
Options appraisal	The IJB agreed its Participation and Engagement Strategy 2016/26 on 31 January 2017, to be reviewed in January 2020. Report template includes section on consultation. Carried out at Board in January 2020. Replacement Communication and Engagement Strategy 2020/23 approved. Annual report required carried out via Chief officer's report in September 2020. Full review in January 2023	G
Financial strategy (mid to (long-term))	Approach to IJB medium term financial strategy agreed by Board on 27 June 2017. Further information on financial strategy 5 year plan discussed at IJB Development Sessions during 2017/18 and 5 year budget plan reported to Board on 26 June 2018. Updated medium-term financial plan to IJB on 23 April 2019. Regular updates to IJB meeting as part of financial assurance. Full report in March each year when budgets approved. In February 2021 an internal audit of financial planning found control to be effective. Adoption of CIPFA Financial Management Code in March 2021	G

D1. Determining interventions		
Record of professional advice in reaching decisions	Standard template used for meetings of IJB and committees. Implemented in May 2015 and formally adopted in October 2015. Reviewed in February 2019, approved at Board on 12 March 2019, implemented from April 2019. Review in February 2021	G
Record of decision making and supporting materials	Standard template used for meetings of IJB and committees. Implemented in May 2015 and formally adopted in October 2015. Reviewed in February 2019, approved at Board on 12 March 2019, implemented from April 2019. Reviewed, revised and approved by IJB in January 2021, with immediate effect	G
Meeting reports show details of advice given	Standard template used for meetings of IJB and committees. Implemented in May 2015 and formally adopted in October 2015. Reviewed in February 2019, approved at Board on 12 March 2019, implemented from April 2019. Review in February 2021. Style/content of minutes reviewed and approved in March 2020	G
Equality impact assessment procedure	IJB report templates include a mandatory section on whether the report is relevant to equalities and whether an Equality Impact Assessment has been conducted. Equality impact proves updated and approved and report template revised and implemented from April 2019. PSED mainstreaming report approved in April 2021	G

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

D2. Planning interventions		
(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 Plan developed through Strategic Planning Group and following public consultation. Initial plan approved by IJB 31 March 2016. Revised plan 2019/23 approved at IJB on 23 April 2019 supported by suite of documents such as commissioning plans and integrated impact assessment. New supporting structure of Planning & Commissioning Boards approved in April 2019. Minutes of SPG reported regularly to Board. Internal audit reported to committee in December 2019, control satisfactory. Updates on Strategic Commissioning Plan to IJB in September 2020, November 2020 and March 2021. Structure reviewed by IJB in April 2021. Actions agreed following Joint Inspection of Strategic Planning	G
Strategic Planning Group	The SPG meets on bimonthly basis with representation from wide range of stakeholders in accordance with Government Guidance. Full review carried out and restructure approved in September 2019. Locality groups merged. Minutes reported to Board. Actions agreed following Joint Inspection of Strategic Planning in 2020/21	G
Directions	Directions prepared on a template which ensures compliance with legislation and guidance. Issued for approval as part of budget and annual financial statement process prior to year-end. Directions developed and issued in accordance with delegated functions on annual basis. General suite issued before end of each financial year, latest in March 2021. More detailed strategic directions issued on an <i>ad hoc</i> basis. Report template includes section on requirement for directions. Approach reviewed in September 2020 against Scottish Government guidance issued in February 2020. Log of directions first reported in November 2020	G
Calendar of dates for developing and submitting plans and reports	Annual calendar of scheduled meetings agreed. Standing Orders 5.2 and 6.1 require agenda and reports issued five clear days beforehand and made available to public five clear days before.	G

D2. Planning interventions		
Annual financial statement	Prepared and approved and published annually. Based on Strategic Plan, budget contributions and priorities. Compliant with legislative requirements. Internal audit of financial planning in December 2020 found control to be effective	G
Communications strategy	The IJB agreed its Participation and Engagement Strategy 2016/26 on 31 January 2017, to be reviewed in January 2020. Carried out at Board in January 2020. Replacement Communication and Engagement Strategy 2020/23 approved. Annual report required, carried out via Chief Officer's report in September 2020. Full review in January 2023	G
Risk Management strategy	Risk management Policy and Strategy adopted March 2017. Covers appetite, training, reporting and review. Allocates management responsibilities. Reviewed via AR&GC in March 2018. Standing items at meetings of Audit Risk & Governance Committee (high risks and full risk register alternate). Annual report to IJB	G
Risk management guidance and protocols	Policy and Strategy includes assessment methodology and review procedures and timetables. Actions recorded and monitored through SMT meetings and Pentana	G
Scrutiny of risk arrangements	Risk register reviewed at SMT every two months, at AR&GC every six months and annually at Board meeting	G
Financial Regulations	Financial Regulations approved in March 2016. Compliant with 1973 Act and guidance. Responsibility allocated in Scheme of Delegations. Reviewed and approved in January 2020 and republished. Internal audit of financial planning in December 2020 found control to be effective. Adoption of CIPFA Financial Management Code in March 2021	G

D2. Planning interventions		
Financial strategy (mid to long-term)	Approach to IJB medium term financial strategy agreed by Board on 27 June 2017. Further information on financial strategy 5 year plan discussed at IJB Development Sessions during 2017/18 and 5 year budget plan reported to Board on 26 June 2018. Updated medium-term financial plan to IJB on 23 April 2019. Updates to all IJB meetings as part of financial assurance. Full year report in March each year. EY audit action in September 2020 to update financial plan by mid-2021. Internal audit of financial planning in December 2020 found control to be effective. Adoption of CIPFA Financial Management Code in March 2021	G
Performance measures	Agreed suite of indicators and performance framework. Reports to SPG and IJB every six months. Annual performance reports published and all available on the internet. Strategic Plan approved in 2019 includes section on performance monitoring and reporting. Review of indicators instructed by IJB in March 2021. Internal audit of performance management in December 2020 found control to be effective	G
Performance monitoring and reporting	Agreed suite of indicators and performance framework. Reports to SPG and IJB every six months. Annual performance reports published and all available on the internet. Strategic Plan approved in 2019 includes section on performance monitoring and reporting. Review of indicators instructed by IJB in March 2021. Internal audit of performance management in December 2020 found control to be effective. Log of Directions reported for first time in November 2020	G
Scrutiny of financial performance	Financial performance and budget risk updates at every meeting to the Board including comprehensive quarterly financial performance reports setting out progress against savings. Explanations of pressures and issues raised by Board are responded to. EY audit action in September 2020 to update financial plan by mid-2021. Internal audit of financial planning in December 2020 found control to be effective. Adoption of CIPFA Financial Management Code in March 2021	G

D2. Planning interventions		
Scrutiny of service performance	Senior Management Team including all H&SC Partnership managers meets monthly, covers performance and risk management. Performance measures and monitoring arrangements actioned through AR&GC. Agreed suite of indicators and performance framework. Reports to SPG and IJB every six months. Annual performance reports published and all available on the internet. Strategic Plan approved in 2019 includes section on performance monitoring and reporting. EY audit action in September 2020 to update financial plan by mid-2021. Internal audit of financial planning in December 2020 found control to be effective. Directions Log first reported in December 2020	G
Liaison and planning arrangements with WLC, NHSL and other Lothian IJBs	Participation in Lothian Integrated Care Forum (formerly Lothian Strategic Planning Forum) agreed in principle in January 2019. First meeting held in April 2019. Lothian Finance Forum established amongst Finance Officers of IJBs, councils and health boards. Activities covered in Chief Officer's report as a standing item at Board meetings. Statutory reviews of Integration Schemes being coordinated across Lothian	G

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

D3. Optimising achievement of intended outcomes		
Mid to long term financial strategy	Approach to IJB medium term financial strategy agreed by Board on 27 June 2017. Further information on financial strategy 5 year plan discussed at IJB Development Sessions during 2017/18 and 5 year budget plan reported to Board on 26 June 2018. Updated medium-term financial plan to IJB on 23 April 2019. Updates to all IJB meetings as part of financial assurance. Full year report to IJB each March. EY audit action in September 2020 to update financial plan by mid-2021. Internal audit of financial planning in December 2020 found control to be effective. Adoption of CIPFA Financial Management Code in March 2021	G
Strategic Plan	Strategic Plan developed through Strategic Planning Group and following public consultation. Initial plan approved by IJB 31 March 2016. Revised plan 2019/23 approved at IJB on 23 April 2019 supported by suite of documents such as commissioning plans and integrated impact assessment. New supporting structure of Planning & Commissioning Boards approved in April 2019. Minutes of SPG reported regularly to Board. Internal audit reported to committee in December 2019, control satisfactory. Updates on Strategic Commissioning Plan to IJB in September 2020, November 2020 and March 2021. Structure reviewed by IJB in April 2021. Actions agreed following Joint Inspection of Strategic Planning	G
Directions	Directions prepared on a template which ensures compliance with legislation and guidance. Issued for approval as part of budget and annual financial statement process prior to year-end. Directions developed and issued in accordance with delegated functions on annual basis. General suite issued before end of each financial year, latest in March 2021. More detailed strategic directions issued on an <i>ad hoc</i> basis. Report template includes section on requirement for directions. Approach reviewed in September 2020 against Scottish Government guidance issued in February 2020. Directions Log first reported in November 2020	G
Financial Regulations	Financial Regulations approved in March 2016. Compliant with 1973 Act and guidance. Responsibility allocated in Scheme of Delegations. Due for review in December 2019. Reviewed and revised and approved in January 2020 and republished. Internal audit of financial planning in December 2020 found control to be effective. Adoption of CIPFA Financial Management Code in March 2021	G

D3. Optimising achievement of intended outcomes		
Budget monitoring reporting	Budget monitoring arrangements comply with the IJB's financial regulations and updates on the budget position are reported regularly to the Board at every meeting. Internal audit of financial planning in December 2020 found control to be effective. Adoption of CIPFA Financial Management Code in March 2021	G
Commissioning Plans	Commissioning plans developed and implemented for thematic groups: Older People, Mental Health, Learning Disability, Physical Disability and ADP. Regular reports on progress to the SPG and Board. Plans reviewed and approved in 2019 for period till 2023. Based on Strategic Needs Assessment. Updates reported to Board as appropriate. Reviewed alongside Strategic Plan. Revised Strategic Plan approved on 23 April 2019. Plans reviewed and updated in relation to COVID in December 2020 and January 2021. New supporting structure of Planning & Commissioning Boards approved in April 2019, reviewed in March 2021	G
Financial planning with health board and council	Integration Scheme procedures. Directions to partners set out requirements for partners to work with the IJB on medium term financial planning. Based on this, significant joint working undertaken to produce 5 year budget plan reported to Board on 26 June 2018. Updated medium-term financial plan to IJB on 23 April 2019. Regular meetings at officer level. Lothian Finance Forum established amongst Finance Officers of IJBs, councils and health boards. Activities covered in Chief Officer's report as a standing item at Board meetings	G

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	Demand and capacity planning is underpinning the transformational change programmes in delivery of the health and social care delivery plan, access and treatment standards. Performance monitoring and reporting arrangements reviewed and in place, confirmed at AR&GC on 12 December 2018. Internal audit of performance management in December 2020 found control to be effective	G
Budget monitoring arrangements	Budget monitoring arrangements comply with the IJB's financial regulations and updates on the budget position are reported regularly to the Board at every meeting. Internal audit of financial management in December 2020 found control to be effective	G

E1. Developing the entity's capacity		
Benchmarking arrangements	Wider benchmarking and lessons and best practice from elsewhere discussed at Development Day in February 2019. Reports on Transformational Change Programmes to include reference to benchmarking activity. Annual performance reporting includes benchmarking against other IJBs. AR&GC in June 2020 agreed related governance issue could be considered to be complete	G
Partnership working	No formal guidance in place for partnership working, e.g., with health board or VSG or Scottish Police of SF&RS. Consider if this is required or whether assurance can be obtained from council and health board	G
Performance monitoring and reporting	Agreed suite of indicators and performance framework. Reports to SPG and IJB on regular basis. Agreed suite of indicators and performance framework. Reports to SPG and IJB every six months. Annual performance reports published and all available on the internet. Strategic Plan includes section on performance monitoring and reporting. Performance reports to IJB. Review of indicators instructed by IJB in March 2021. Internal audit of performance management in December 2020 found control to be effective	G
Officer appraisal arrangements	IJB has no employees. Reliance on Employee Codes of Conduct and registers/declarations procedures of council and health board. Considered by senior officers in February 2020, Considered that assurance could be taken from partners' arrangements and partnership working on Workforce Planning	G
Workforce development plan	IJB, 21 November 2018 - approved as a strategy, not a plan. Internal Audit reported to committee in March 2020, control satisfactory. Updates from Chief Officer in November 2020 and April 2021	G
Succession planning	Induction arrangements for members established and approved in August 2020. Requirements for officers considered and assessed during 2020/21. IJB has no employees and only one member of staff. Reliance can be placed on procedures of partners. Existing arrangements worked well in relation to replacement of head of health Services and Chief Officer, both in 2020/21.	G

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 Chief Officer 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	Agreed at IJB on 29 January 2019. Reviewed, revised and approved by IJB in March 2021. Agreed to review triennially in future	G
Job descriptions for officers	Role description and duties of four senior posts adopted by Appointments Committee at recruitment. Reflected in Scheme of Delegations to Officers and Financial Regulations. Chief Officer role reviewed when recruiting to the post in March/May 2019 and February 2021. No other employees allowed	G
Liaison between Chair (and Vice-Chair) and Chief Officer	Regular scheduled consultations take place between Chair and Vice-Chair and Chief Officer. Both are involved in agenda-setting arrangements and meetings for IJB meetings	G
Standing Orders	Standing Orders comply with legislation. Approved 20 October 2015. Amended April 2016 and September 2018 to reflect legislative change and IJB decisions. Reviewed 5 December 2017 and again in January 2020. Amended and republished.	G

E2. Developing the capability of the entity's leadership and other individuals		
Scheme of Delegations	Scheme of Delegations adopted and approved on 31 January 2017. Reflects role descriptions of officers. Reviewed 5 December 2017 and again in January 2020. Amended and republished. Due for review again in January 2022	G
Financial Regulations	Financial Regulations approved in March 2016. Compliant with 1973 Act and guidance. Responsibility allocated in Scheme of Delegations. Reviewed in January 2020. Amended and republished. Due for review again in January 2022. Internal audit in December 2020 of financial planning found control to be effective. Adoption of CIPFA Financial Management Code in March 2021	G
Members' induction training	Members' induction pack available. Briefing sessions offered to new members on appointment. Written advice and procedures on Register of Interests Development sessions for all IJB members held regularly. Induction pack and arrangements in place (August 2020)	G
Members' ongoing training	Regular Development Sessions are held for Members for training and more in depth discussion on strategic direction and significant issues and developments. Dates timetabled and notified in advance. Training needs covered in annual self-assessment questionnaires undertaken by IJB and AR&GC. Results will inform training requirements and plans	G
Review of effectiveness of committees and other meetings	AR&GC and IJB self-assessment questionnaires approved, used each year and included in Calendar/cycle of reporting. Concerns noted and followed up where instructed. Adjusted for COVID issues in 2020/21	G
Staff induction and training	The IJB does not employ staff. Staff receive induction and training through their employing organisation and local induction and training is agreed subject to requirements of the post and performance reviews. Considered by senior officers in February 2020 that assurance could be taken from partners' procedures and records	G

E2. Developing the capability of the entity's leadership and other individuals		
Officer appraisal arrangements	Considered by senior officers in February 2020. Concluded that no separate policy was required for the IJB and that assurance can be taken from policies and procedures in council and health board. Workforce planning amongst partners provides assurance	G
Succession planning	Induction arrangements for members established and approved in August 2020. Requirements for officers considered and assessed during 2020/21. IJB has no employees and only one member of staff. Reliance can be placed on procedures of partners. Existing arrangements worked well in relation to replacement of head of health Services and Chief Officer, both in 2020/21.	G
Communications plan or strategy	The IJB agreed its Participation and Engagement Strategy 2016/26 on 31 January 2017, to be reviewed in January 2020. Carried out at Board in January 2020. Replacement Communication and Engagement Strategy 2020/23 approved. Annual report required, carried out via Chief Officer's report in September 2020. Full review in January 2023	G
Public engagement strategy	The IJB agreed its Participation and Engagement Strategy 2016/26 on 31 January 2017, to be reviewed in January 2020. Carried out at Board in January 2020. Replacement Communication and Engagement Strategy 2020/23 approved. Annual report required, carried out via Chief Officer's report in September 2020. Full review in January 2023	G
Locality Groups	Original approach to localities reviewed and updated in September 2019 when Strategic Planning Group and Locality Groups were reviewed and changes approved in November 2019. The Groups are made up of a wide range of stakeholders and meet as part of the Strategic Planning Group. Minutes reported to Board meetings. Terms of reference to be reviewed annually. Structure reviewed in March 2021 following Joint Inspection of Strategic Planning	G

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	Risk management Policy and Strategy adopted March 2017. Covers appetite, training, reporting and review. Allocates management responsibilities. Reviewed via AR&GC in March 2018. Standing items at meetings of Audit Risk & Governance Committee (high risks and full risk register alternate). Annual report to IJB	G
Risk register	Risk register maintained in Pentana. Reviewed at PMT every two months, at AR&GC every six months and annually at Board meeting	G
Internal Audit service	Internal Auditor appointed. Service operates per PSIAS. Internal Audit Annual Plan, Annual Reports and ad hoc reports give assurance to Board. Same from external auditors. Agreed in February 2021 to discuss with other Lothian Chief officers arrangements for NHS Lothian assistance with IJB internal audits	G

F1. Managing risk		
Identification of actions	Actions arising from risk register, internal audit reports and external audit reports are recorded in Pentana. Progress monitored via SMT. Reported to AR&GC bi-annually	G
Allocation of responsible officers	Actions identified and agreed are allocated by the Chief Officer to appropriate officers. Responsibility recorded through SMT and AR&GC reporting as appropriate	G
Risk reporting to service management team	Risk register maintained in Pentana. Reviewed at SMT every two months, at AR&GC every six months and annually at Board meeting	G
Audit Risk & Governance Committee	Audit Risk & Governance Committee Remit and powers approved on 5 April 2016, included in and governed by Standing Orders. Remit updated on 5 December 2017 and 1 May 2018. Compliant with PSIAS and CIPFA Guidance. Annual self-assessment undertaken. Compliant with statutory accounts regulations requirements. Reviewed 5 December 2017 and again in January 2020. Amended and republished. Due for review again in January 2022	G
Risk Management Annual Plan	Not required by Risk Management Strategy and Policy. Covered in regular reporting of risks, risk actions and high risks. Annual report submitted to AR&GC at the end of each financial year	G

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

F2. Managing performance		
Evidence	Comments	Rating
Identification of outcomes in Strategic Plan	Strategic Plan developed through Strategic Planning Group and following public consultation. Initial plan approved by IJB 31 March 2016. Revised plan 2019/23 approved at IJB on 23 April 2019 supported by suite of documents such as commissioning plans and integrated impact assessment. New supporting structure of Planning & Commissioning Boards approved in April 2019. Minutes of SPG reported regularly to Board. Internal audit reported to committee in December 2019, control satisfactory. Updates on Strategic Commissioning Plan to IJB in September 2020, November 2020 and March 2021. Structure reviewed by IJB in April 2021. Actions agreed following Joint Inspection of Strategic Planning	G
Calendar of dates for submitting, publishing and distributing timely reports	Annual calendar of scheduled meetings agreed. Standing Orders 5.2 and 6.1 require agenda and reports issued five clear days beforehand and made available to public five clear days before	G
Agreement on the information that will be needed and timescales	Standard template used for meetings of IJB and committees. Implemented in May 2015 and formally adopted in October 2015. Reviewed in February 2019, approved at Board on 12 March 2019, implemented from April 2019. Reviewed, revised and approved by IJB in January 2021, with immediate effect	G
Committee remits and powers defined	Remits and powers of all committees, working groups and Strategic Planning Group approved by IJB. Committees must apply Standing orders to their meetings. Remits reviewed in January 2020, amended and approved and republished. Next review in 2022	G
Publication of agendas, reports and minutes of meetings	Annual calendar of scheduled meetings agreed. Standing Orders 5.2 and 6.1 require agenda and reports issued five clear days beforehand and made available to public four clear days before	G

F2. Managing performance		
The role and responsibility for scrutiny has been established and is clear	Remit and powers of AR&GC. Role descriptions of members. Local Code of Corporate Governance. Code reviewed in September 2019. Committee remit reviewed and approved in January 2020. Annual self-assessment procedure for AR&GC informs training and awareness requirements. Audit Risk & Governance Committee Remit and powers approved on 5 April 2016, included in and governed by Standing Orders. Remit updated on 5 December 2017 and 1 May 2018. Compliant with PSIAS and CIPFA Guidance. Annual self-assessment undertaken. Compliant with statutory accounts regulations requirements. Reviewed 5 December 2017 and again in January 2020. Amended and republished. Due for review again in January 2022	G
Agenda, reports and minutes of scrutiny meetings	Agendas, reports and minutes issued and made public as required by Standing Orders. Recommendations made to Board as appropriate. Style/content of minutes reviewed in March 2020	G
Establishment, recording and review of performance indicators	Agreed suite of indicators and performance framework. Reports to SPG and IJB every six months. Annual performance reports published and all available on the internet. Strategic Plan includes section on performance monitoring and reporting. Performance reports to IJB. Review of indicators instructed by IJB in March 2021. Internal audit of performance management in December 2020 found control to be effective. Log of Directions first reported in November 2020	G
Measurement of performance and recording of performance against indicators	Agreed suite of indicators and performance framework. Reports to SPG and IJB every six months. Annual performance reports published and all available on the internet. Strategic Plan includes section on performance monitoring and reporting. Performance reports to IJB. Review of indicators instructed by IJB in March 2021. Internal audit of performance management in December 2020 found control to be effective	G
Training for members on performance and scrutiny	Development sessions held for members throughout the year. Training needs covered in self-assessment questionnaires undertaken by IJB and AR&GC annually. Results inform training requirements and plans	G

F2. Managing performance		
Financial Regulations	Financial Regulations approved in March 2016. Compliant with 1973 Act and guidance. Responsibility allocated in Scheme of Delegations. Reviewed in January 2020, amended and approved and republished. In December 2020 an internal audit of financial planning found control to be effective. Adoption of CIPFA Financial Management Code in March 2021	G
Benchmarking arrangements	Wider benchmarking and lessons and best practice from elsewhere discussed at Development Day in February 2019. Reports on Transformational Change Programmes to include reference to benchmarking activity. Annual performance reporting includes benchmarking against other IJBs. AR&GC in June 2020 agreed related governance issue could be considered to be complete	G
Public performance reporting	Agreed suite of indicators and performance framework. Reports to SPG and IJB every six months. Annual performance reports published and all available on the internet. Strategic Plan includes section on performance monitoring and reporting. Performance reports to IJB. Review of indicators instructed by IJB in March 2021. Internal audit of performance management in December 2020 found control to be effective	G
Annual reports to the public	Annual Performance Report completed in accordance with guidelines and approved in draft by IJB in June, published per statutory dates. Available for all years on website. Work Plan and reporting cycle appear at every IJB and AR&GC meeting to ensure compliance is monitored	G

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
(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

F3. Robust internal control		
(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)	Internal Auditor appointed. Service operates per PSIAS. Internal Audit Annual Plan, Annual Reports and <i>ad hoc</i> reports give assurance to Board. Same from external auditors. Agreed in February 2021 to discuss with other Lothian Chief Officers arrangements for NHS Lothian assistance with IJB internal audits and other cooperation, report due to AR&GC on 17 June 2021	G
Risk Management strategy	Risk management Policy and Strategy adopted March 2017. Covers appetite, training, reporting and review. Allocates management responsibilities. Reviewed via AR&GC in March 2018. Standing items at meetings of Audit Risk & Governance Committee (high risks and full risk register alternate). Annual report to IJB	G
Risk register	Risk register maintained in Pentana. Reviewed at PMT every two months, at AR&GC every six months and annually at Board meeting	G
Local Code of Corporate Governance	Local Code based on 2016 CIPFA/SOLACE framework developed during 2017/18 and reported to AR&GC in September and December 2017 and March 2018. Approved by IJB on 1 May 2018 for use in 2017/18 reporting. Code reviewed and approved at Board in September 2019. Process approved for regular review via SMT. Scheduled for review in December 2021	G
Annual review of system of internal control	Review carried out by Internal Auditor. Reported as part of Internal Audit Annual Report to AR&GC and to Board. Review complies with legislation and PSIAS. Informs annual governance statement	G

F3. Robust internal control		
Annual governance statement	Statements compliant with 2016 CIPFA/SOLACE Framework. Approved timeously for inclusion in annual accounts. Informed by prior consideration of review of system of internal control and Best Value Framework. Areas of concern highlighted to AR&GC. Under regular review at SMT. Included additional information on COVID in 2019/20, per CIPFA Guidance. Interim report on issues of concern to AR&GC in May 2020 and December 2020. Will include additional information on COVID and CIPFA FM Code compliance in 2020/21, per CIPFA Guidance	G
Committee remits and powers defined	Remits and powers of all committees, working groups and Strategic Planning Group approved by IJB. Committees must apply Standing Orders to their meetings. Remits reviewed and approved by Board in January 2020. Due next for review in 2022	G
Standards Officer	Standards Officer role description agreed by IJB in January 2015 and appointment made. Appointment approved by Standards Commission on 29 March 2016. No review date fixed. May be revisited when revised Model Code and associated guidance are published in 2021/22	G
Audit Risk & Governance Committee	Audit Risk & Governance Committee Remit and powers approved on 5 April 2016, included in and governed by Standing Orders. Remit updated on 5 December 2017 and 1 May 2018. Compliant with PSIAS and CIPFA Guidance. Annual self-assessment undertaken. Compliant with statutory accounts regulations requirements. Reviewed 5 December 2017 and again in January 2020. Amended and republished. Due for review again in January 2022	G
Anti-Fraud and Corruption Policy and procedures	No policy or procedure in place. Board has no bank account, no employees and no contractual powers so little risk of inducements/bribes or theft. Considered by senior officers in February 2020 that no separate policy was needed and reliance could be placed on partners' policies and procedures	G
Whistleblowing policy and procedures	No policy or procedure in place. Board has no employees and no contractual powers. Considered by senior officers in February 2020. Concluded that no separate policy was required for the IJB and that assurance can be taken from policies and procedures in council and health board	G

F3. Robust internal control		
Appointment of Chief Social Work Officer	The role of Chief Social Work Officer is appointed to at all times in line with the statutory requirement. The appointment is for the council to make. The CSWO is then appointed as a non-voting member of the IJB. Annual report to Board	G
Appointment of Clinical Chief Officer	Appointed on health board nomination as non-voting Board member. Annual report to Board	G
Role and responsibilities of Chief Social Work Officer defined and recognised	The role and remit of the Chief Social Work Officer is laid out in statute and statutory guidance issued by Scottish Minister (2016) and is adhered to locally. The CSWO position is recognised in Standing Order 5.6 whereby the Chief Social Work Officer is entitled to insist on a report being included on the agenda for an IJB meeting. Annual report to Board	G
Role and responsibilities of Clinical Chief Officer defined and recognised	The post holder has a lead responsibility for Clinical Governance, providing leadership and support for GP and other NHS contractors working within West Lothian. The role provides an interface between GPs community services and acute services. As a member of the senior management team for the HSCP, the Clinical Chief Officer contributes to strategic planning, quality improvement, performance and risk management. Annual report to Board	G
Annual report from Chief Social Work Officer	The Chief Social Work Officer report is presented to the IJB annually in December. The report complies with statutory guidance from the Ministers. It is submitted to the Ministers after consideration by the council and IJB. Published with relevant committee papers, consider publishing separately on the IJB website	G
Annual report from Clinical Chief Officer to Board	The Clinical Chief Officer submits an annual report in the Spring of each year. Published with relevant committee papers, consider publishing separately on the IJB website	G
Clinical and care governance arrangements	Health & Care Governance Annual Report to Board in June 2019. Health & Care Governance Framework and Group reviewed and restructure approved in June 2019. Minutes to be reported to Board. Annual report in September 2020. Updates in January 2021 and March 2021	G

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	Interim Data Protection Officer appointed. Reliant on council systems. Privacy notices in place. Progress reported to AR&GC in December 2020 and February 2021. Formal approach to council declined.	A
Data protection policies and procedures	The IJB agreed to adopt the council's data protection policies and procedures on 26 September 2018. Being reviewed in light of GDPR. Requires review on finalisation of formal DPO arrangements	A
Data sharing agreements	A Memorandum of Understanding has been agreed between council, NHS Lothian and the IJB and a template DSA has been drawn up. Being reviewed in light of GDPR. Requires review on finalisation of formal DPO arrangements	A
Data processing agreements	A Memorandum of Understanding has been agreed between council, NHS Lothian and the IJB and a template DSA has been drawn up; this is in the process of being agreed. Being reviewed in light of GDPR. Requires review on finalisation of formal DPO arrangements	A
IT/software protection	The IJB has no IT equipment or software of its own. Where employees of either parent organisation are preparing IJB business, it is on council or NHS Lothian equipment and software and these are protected as per the IT security policy of each organisation respectively. Senior officers consider assurance can be given from partners' procedures	G

F4. Managing data			
Records Management compliance		IJB information is managed in accordance with the information management policies and procedures of the council. IJB records management plan approved and submitted to Keeper in June 2020	A
Procedures for responding to subject access requests		As for other information requests, the IJB follows the procedures of the council whose systems are set up to allow separate recording and reporting of SARs for the IJB. Requires to put own procedures in place. Requires review on finalisation of formal DPO arrangements	A
Data breach procedure – reporting and risk assessment		The IJB agreed to adopt the council's data protection policies and procedures on 26 September 2018. However, if a breach occurred, the policies of either council or NHS Lothian may apply depending on the employee responsible. Requires to put own procedures in place and consider seeking assurance from partners. Requires review on finalisation of formal DPO arrangements	A
Publication scheme under FOISA/EIRS		Scheme in accordance with legislation and guidance adopted on 31 October 2017, updated at Board meeting in February 2019. Published on the IJB section of the HSCP website	G
Reporting on data protection and information management		Data protection and information management was reported to the IJB on 26 September 2017 with a further update on 1 May 2018. Quarterly reports to Board on SARs and FOISA	G

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

F 5. Strong public financial management		
Finance Officer role identified and supported (CIPFA's Statement on the Role of the Chief Financial Officer in Local Government, CIPFA, 2016)	Role description and duties adopted by Appointments Committee at recruitment. Reflected in Scheme of Delegations to Officers and Financial Regulations. Both updated and approved in January 2020. To be reviewed again in 2022. Actions agreed after adoption of CIPFA FM Code require review	G
Financial Regulations	Financial Regulations approved in March 2016. Compliant with 1973 Act and guidance. Responsibility allocated in Scheme of Delegations. Reviewed, approved and republished in January 2020. Next due for review in 2022. Internal audit of financial planning in December 2020 found control to be effective. Adoption of CIPFA Financial Management Code in March 2021	G
Budget control and monitoring guidance	Contained in Financial Regulations, reviewed and approved in January 2020. Internal audit of financial planning in December 2020 found control to be effective. Adoption of CIPFA Financial Management Code in March 2021	G
Report template requires information on financial implications	Standard template used for meetings of IJB and committees. Implemented in May 2015 and formally adopted in October 2015. Reviewed in February 2019, approved at Board on 12 March 2019, implemented from April 2019. Reviewed, revised and approved by IJB in January 2021, with immediate effect	G
Mid to long-term financial strategy and planning	Approach to IJB medium term financial strategy agreed by Board on 27 June 2017. Further information on financial strategy 5 year plan discussed at IJB Development Sessions during 2017/18 and 5 year budget plan reported to Board on 26 June 2018. Updates to each Board meeting as part of financial assurance. EY action requires updated mid-term financial plan by mid-2021. Internal audit of financial planning in December 2020 found control to be effective. Adoption of CIPFA Financial Management Code in March 2021	G

F 5. Strong public financial management		
Budget monitoring at Management Team	Financial performance and budget risk updates reported regularly to the SMT including comprehensive quarterly financial performance reports setting out progress against savings. Explanations of pressures and issues raised by Board are responded to. Internal audit of financial planning in December 2020 found control to be effective. Adoption of CIPFA Financial Management Code in March 2021	G
Quarterly budget monitoring reports to members	Budget monitoring arrangements comply with the IJB's financial regulations and updates on the budget position are reported regularly to the Board. Internal audit of financial planning in December 2020 found control to be effective	G
Identification and registering of financial pressures and risks	Current year and medium term budget pressures and risks are identified through budget monitoring and medium term planning work with partners and these are reported regularly to the Board as part of budget monitoring arrangements. Internal audit of financial planning in December 2020 found control to be effective	G
Review of system of internal control	Review carried out by Internal Auditor. Reported as part of Internal Audit Annual Report to AR&GC and to Board. Review complies with legislation and PSIAS. Informs annual governance statement	G
External audit report	Liaison between Chief Officer and Chief Financial Officer with external auditors. Report presented to AR&GC for consideration then to Board. Actions agreed and followed up through AR&GC	G

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	Standard template used for meetings of IJB and committees. Implemented in May 2015 and formally adopted in October 2015. Reviewed in February 2019, approved at Board on 12 March 2019, implemented from April 2019. Reviewed, revised and approved by IJB in January 2021, with immediate effect	G
Website	All documents requiring to be in the public domain are published online, either in the form reports and minutes on the council's COINS website or on the IJB pages of the HSCP website. Content substantially revised and updated on new format of webpages. Covered in Communications and Engagement Strategy approved in January 2020. Under control of media and web content management group	G
Annual performance report	Annual Performance Report completed in accordance with guidelines and approved in draft by IJB in June 2018. Work Plan and reporting cycle appear at every IJB and AR&GC meeting to ensure compliance is monitored. Reports to SPG and IJB every six months. Annual performance reports published and all available on the internet. Strategic Plan includes section on performance monitoring and reporting. Performance reports to IJB. Review of indicators instructed by IJB in March 2021. Internal audit of performance management in December 2020 found control to be effective	G

G1. Implementing good practice in transparency		
Meeting agendas and reports and minutes	Annual calendar of scheduled meetings agreed. Standing Orders 5.2 and 6.1 require agenda and reports issued five clear days beforehand and made available to public five clear days before	G
Communications plan or strategy	The IJB agreed its Participation and Engagement Strategy 2016/26 on 31 January 2017, to be reviewed in January 2020. Carried out at Board in January 2020. Replacement Communication and Engagement Strategy 2020/23 approved. Annual report required, carried out via Chief Officer's report in September 2020. Full review in January 2023	G
Public engagement strategy	The IJB agreed its Participation and Engagement Strategy 2016/26 on 31 January 2017, to be reviewed in January 2020. Carried out at Board in January 2020. Replacement Communication and Engagement Strategy 2020/23 approved. Annual report required, carried out via Chief Officer's report in September 2020. Full review in January 2023	G
Public sector equality reporting	The IJB published its Equalities Mainstreaming Report and Equality Outcomes 2017 – 2021 following approval at its meeting of 20 April 2017. Biennial report approved at IJB on 23 April 2019 and 20 April 2021	G
Equality impact assessment procedure (including Fairer Scotland duty)	IJB report templates include a mandatory section on whether the report is relevant to equalities and whether an Equality Impact Assessment has been conducted. Standard template used for meetings of IJB and committees. Template reviewed and replaced in February 2021 with immediate effect. Mainstreaming and PSED report to IJB on 23 April 2019 and 20 April 2021	G

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

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	Annual Performance Report completed in accordance with guidelines and approved in draft by IJB in June 2018. Work Plan and reporting cycle appear at every IJB and AR&GC meeting to ensure compliance is monitored.	G
Performance reporting to Board	Agreed suite of indicators and performance framework. Reports to SPG and IJB every six months. Annual performance reports published and all available on the internet. Strategic Plan includes section on performance monitoring and reporting. Performance reports to IJB. Review of indicators instructed by IJB in March 2021. Internal audit of performance management in December 2020 found control to be effective. Log of Directions first reported in November 2020	G
Annual governance statement	Statements compliant with 2016 CIPFA/SOLACE Framework. Approved timeously for inclusion in annual accounts. Informed by prior consideration of review of system of internal control and Best Value Framework. Areas of concern highlighted to AR&GC. Under regular review at SMT. Included additional information on COVID in 2019/20, per CIPFA Guidance. Interim report on issues of concern to AR&GC in May 2020 and December 2020. Will include additional information on COVID and CIPFA FM Code compliance in 2020/21, per CIPFA Guidance	G
Local Code of Corporate Governance	Local Code based on 2016 CIPFA/SOLACE Framework developed during 2017/18 and reported to AR&GC in September and December 2017 and March 2018. Approved by IJB on 1 May 2018 for use in 2017/18 reporting. Code reviewed and approved at Board in September 2019. Process approved for regular review via SMT. Scheduled for review in December 2021	G

G2. Implementing good practices in reporting		
Appointment of Chief Social Work Officer	The role of Chief Social Work Officer is appointed to at all times in line with the statutory requirement. The appointment is for the council to make. The CSWO is then appointed as a non-voting member of the IJB	G
Appointment of Clinical Chief Officer	Appointed on health board nomination as non-voting Board member	G
Role and responsibilities of Chief Social Work Officer defined and recognised	The role and remit of the Chief Social Work Officer is laid out in statute and statutory guidance issued by Scottish Minister (2016) and is adhered to locally. The role of the CSWO is not defined any further within the IJB and is not available to the public or other IJB members for information. The CSWO position is recognised in Standing Order 5.6 whereby the Chief Social Work Officer is entitled to insist on a report being included on the agenda for an IJB meeting. Annual report to Board	G
Role and responsibilities of Clinical Chief Officer defined and recognised	The post holder has a lead responsibility for Clinical Governance, providing leadership and support for GP and other NHS contractors working within West Lothian. The role provides an interface between GPs community services and acute services. As a member of the senior management team for the HSCP, the Clinical Chief Officer contributes to strategic planning, quality improvement, performance and risk management. Annual report to Board	G
Annual report from Chief Social Work Officer	The Chief Social Work Officer report is presented to the IJB annually in December. The report complies with statutory guidance from the Ministers. It is submitted to the Ministers after consideration by the council and IJB. Published with relevant committee papers, consider publishing separately on the IJB website	G

G2. Implementing good practices in reporting		
Role and responsibilities of Chief Social Work Officer defined and recognised	The role and remit of the Chief Social Work Officer is laid out in statute and statutory guidance issued by Scottish Minister (2016) and is adhered to locally. The role of the CSWO is not defined any further within the IJB and is not available to the public or other IJB members for information. The CSWO position is recognised in Standing Order 5.6 whereby the Chief Social Work Officer is entitled to insist on a report being included on the agenda for an IJB meeting. Annual report to Board	G
Clinical and care governance arrangements	Health & Care Governance Annual Report to Board in June 2019. Health & Care Governance Framework and Group reviewed and restructure approved in June 2019. Minutes to be reported to Board. Annual report in September 2020. Updates in January 2021 and March 2021	G

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)	Internal Auditor appointed. Service operates per PSIAS. Internal Audit Annual Plan and Annual Reports give assurance to Board. Same from external auditors	G

G3. Assurance and effective accountability		
Audit Risk & Governance Committee	Audit Risk & Governance Committee Remit and powers approved on 5 April 2016, included in and governed by Standing Orders. Remit updated on 5 December 2017 and 1 May 2018. Compliant with PSIAS and CIPFA Guidance. Annual self-assessment undertaken. Compliant with statutory accounts regulations requirements. Reviewed 5 December 2017 and again in January 2020. Amended and republished. Due for review again in January 2022	G
Commissioning plans	Commissioning plans developed and implemented for thematic groups: Regular reports on progress to the SPG and Board. Plans reviewed and approved in 2019 for period till 2023. Directions developed and issued in accordance with delegated functions on annual basis. General suite issued before end of each financial year, latest in March 2021. More detailed strategic directions issued on an ad hoc basis. Report template includes section on requirement for directions. Approach reviewed in September 2020 against Scottish Government guidance issued in February 2021. Log of Directions reported in November 2020	G
Risk register	Risk register reviewed at SMT every two months, at AR&GC every six months and annually at Board meeting	G
Review of effectiveness of Board and committees	AR&GC and IJB self-assessment questionnaires approved, used each year and included in Calendar/cycle of reporting	G
Annual performance report	Annual Performance Report completed in accordance with guidelines and approved in draft by IJB in June each year, published per statutory deadline thereafter. Work Plan and reporting cycle appear at every IJB and AR&GC meeting to ensure compliance is monitored. Review of indicators instructed by IJB in March 2021. Internal audit of performance management in December 2020 found control to be effective	G
Benchmarking	Wider benchmarking and lessons and best practice from elsewhere discussed at Development Day in February 2019. Reports on Transformational Change Programmes to include reference to benchmarking activity. Annual performance reporting includes benchmarking against other IJBs. AR&GC in June 2020 agreed related governance issue could be considered to be complete	G



Date	17 June 2021
Agenda Item	9

Report to Audit Risk and Governance Committee

Report Title: Internal Audit Annual Report

Report By: IJB Internal Auditor

Summary of Report and Implications	
Purpose	This report: (tick any that apply).
	- seeks a decision <input type="checkbox"/>
	- is to provide assurance <input checked="" type="checkbox"/>
	- is for information <input type="checkbox"/>
	- is for discussion <input type="checkbox"/>
	The purpose of this report is to inform the Audit, Risk and Governance Committee of the internal audit annual report.
Recommendations	It is recommended that the Audit, Risk and Governance Committee considers the internal audit annual report for 2020/21.
Directions to NHS Lothian and/or West Lothian Council	A direction is not required.
Resource/ Finance/ Staffing	None.
Policy/Legal	The Local Authority Accounts (Scotland) Regulations 2014 require the IJB or a relevant committee to conduct, at least once in each financial year, a review of the effectiveness of its system of internal control.
Risk	The internal audit annual report contains an opinion on the IJB's framework of governance, risk management and control.
Equality, Health Inequalities, Environmental and Sustainability Issues	The report has been assessed as having little or no relevance with regard to equality or the Public Sector Equality Duty. As a result, an equality impact assessment has not been conducted.

Strategic Planning and Commissioning	Indirectly via the risk based audit of processes to determine their effectiveness.
Locality Planning	None.
Engagement	Chief Finance Officer, Senior Auditor.

Terms of Report	
1.	Internal Audit Annual Report
1.1	The Local Authority Accounts (Scotland) Regulations 2014 require the IJB or relevant committee to conduct, at least once in each financial year, a review of the effectiveness of its system of internal control. The system of internal control may be defined as those policies, procedures and arrangements which are put in place by the management of an organisation to ensure that it meets its objectives. Examples would include financial plans, strategic plans, performance management reporting, and risk management arrangements. Following the review of the system of internal control, the regulations require the IJB or relevant committee to approve an annual governance statement.
1.2	The Public Sector Internal Audit Standards (PSIAS) require me to submit an annual report timed to support the annual governance statement. This must include: <ul style="list-style-type: none"> • a statement on conformance with the PSIAS and the results of the internal audit quality assurance and improvement process; • an opinion on the overall adequacy and effectiveness of the IJB's framework of governance, risk management and control; • a summary of the information which supports the opinion.
1.3	The Committee should note that I have concluded that the IJB's framework of governance, risk management and control is sound.

Appendices	1. Internal Audit Annual Report 2020/21
References	Report to the Audit, Risk and Governance Committee 4 March 2020: Internal Audit Plan 2020/21.
Contact	Kenneth Ribbons, IJB Internal Auditor Kenneth.ribbons@westlothian.gov.uk 01506 281573

WEST LOTHIAN INTEGRATION JOINT BOARD

INTERNAL AUDIT ANNUAL REPORT 2020/21

17 June 2021



**West Lothian
Council**



1.0 INTRODUCTION

- 1.1 This report sets out the activities and performance of the Integration Joint Board's internal audit function for the financial year ending 31 March 2021.
- 1.2 The Local Authority Accounts (Scotland) Regulations 2014 require that local authorities, which for the purpose of the Regulations includes IJB's, operate an internal audit function. The Regulations stipulate that internal audit must be professional and objective, and undertaken in accordance with recognised standards and practices in relation to internal auditing.
- 1.3 As the Committee will be aware, I am the IJB's appointed internal auditor and the internal audit service is provided by the West Lothian Council internal audit team. Our internal audit work is undertaken in accordance with the Public Sector Internal Audit Standards (PSIAS), which are mandatory standards for public sector internal audit.
- 1.4 The PSIAS require me to deliver an annual internal audit opinion on the overall adequacy and effectiveness of the IJB's framework of governance, risk management and control that can be used by the IJB to inform its governance statement. This opinion is included in section five of this report.

2.0 QUALITY ASSURANCE AND IMPROVEMENT PROGRAMME

- 2.1 The PSIAS require that I maintain a quality assurance and improvement programme. This is to ensure that internal audit complies with the PSIAS and produces audit work of an appropriate quality.
- 2.2 The main elements of the internal audit team's quality assurance and improvement programme include:
 - monthly team meetings and 1-1's with staff;
 - review of audit work by a more senior auditor;
 - targets and performance measures;
 - consultation with customers at the end of each audit in relation to their views about the auditors and the audit process.
- 2.3 The internal audit team participates in internal audit benchmarking arrangements via the CIPFA Directors of Finance performance indicators. Benchmarking information is included as appendix C.
- 2.4 The internal audit team, as part of the council's Audit, Risk and Counter Fraud Unit, also participates in the West Lothian Assessment Model (WLAM), which is a set of questions or statements that services use to identify strengths and weaknesses and provide a structure for improvement.
- 2.5 The Unit had its last assessment on 23 September 2019 and achieved a score of 561, which is considered to be a good score. The Unit had a WLAM assessment panel on 17 December 2019, which involves a presentation to the Chief Executive and two other senior officers, followed by questions. The outcome of the Panel was that the Unit continues on cycle one, which is a three yearly cycle, with the next assessment in 2022.

- 2.6 I am required to report on internal audit's conformance with the PSIAS, and a self-assessment exercise has been undertaken. As in previous years, the following matter was identified.

The PSIAS require that work programmes are approved prior to the commencement of an audit, and any adjustments to work programmes are documented and approved promptly. However I am satisfied that internal audit staff are suitably qualified and experienced, and given the resource constraints within the audit team, I do not consider that this requirement would add value. This will not therefore be done.

- 2.7. I do not consider that this matter has a material impact on the scope or operations of internal audit, and I therefore confirm that internal audit complies with the PSIAS in all material respects.

3.0 INTERNAL AUDIT INDEPENDENCE

- 3.1 The PSIAS require that internal audit activity must be independent and internal auditors must be objective in performing their work. The PSIAS state that "internal audit activity must be free from interference in determining the scope of internal auditing, performing work and communicating results".

- 3.2 The PSIAS use the term "chief audit executive" to describe the person in a senior position responsible for effectively managing the internal audit activity. In the context of the IJB, I am the chief audit executive as the IJB's appointed internal auditor. The PSIAS require the chief audit executive to communicate and interact directly with the relevant body, in this case the Audit Risk and Governance Committee, and state that the chief audit executive must confirm, at least annually, the organisational independence of the internal audit activity.

- 3.3 Examples of internal audit independence are included in the PSIAS and for the IJB these include:

- approval of the internal audit charter by the Audit, Risk and Governance Committee;
- approval of the risk based internal audit plan by the Audit, Risk and Governance Committee;
- the chief audit executive having free and unfettered access to the IJB Chief Officer and the Chair of the Audit, Risk and Governance Committee;
- the Audit, Risk and Governance Committee receiving reports from the chief audit executive on internal audit's performance relative to its plan, and other matters.

- 3.4 I therefore confirm the organisational independence of the internal audit function.

4.0 INTERNAL AUDIT WORK

- 4.1 The internal audit plan for 2020/21 was approved by the IJB Audit, Risk and Governance Committee on 4 March 2020. The internal audit topics were financial planning, performance management and corporate governance. Internal audit work involves reviewing processes, based on an assessment of risk, to determine whether there is an effective level of control. The results of our internal audit work are reported to management who are, where appropriate, asked to complete and return action plans.

- 4.2. Appendix A provides details of the audits undertaken, and the conclusions arising from this work. Appendix B explains the conclusions reached. I am pleased to be able to report that despite the Covid-19 pandemic we were able to complete the planned work. I would like to thank IJB officers, West Lothian Council staff, and NHS Lothian staff for their assistance during the year.
- 4.3. It should be noted that the audit of operational matters covered by IJB directions, which are undertaken by either West Lothian Council or NHS Lothian, is the responsibility of the internal audit teams for NHS Lothian and West Lothian Council respectively.
- 4.4. Audit reports normally contain an action plan with agreed management actions. Actions considered to be of high or medium importance are entered into Pentana, which is the IJB's risk management system, as risk actions. Progress in implementing these actions is monitored by the IJB Senior Management Team and by the Audit, Risk and Governance Committee.

5.0 INTERNAL AUDIT OPINION

- 5.1. The PSIAS require me to deliver an annual internal audit opinion on the overall adequacy and effectiveness of the IJB's framework of governance, risk management and control.
- 5.2. My opinion covers the financial year 2020/21. There have been no limitations placed on the scope of my internal audit activity.
- 5.3. In arriving at my opinion I have regard to:
- the internal audit work undertaken during 2020/21, as set out in appendix A;
 - internal audit work undertaken in previous years, and progress in implementing previous internal and external audit recommendations;
 - the report by the IJB's Standards Officer entitled Governance Issues Update which was submitted to the Audit, Risk and Governance Committee on 2 December 2020, and ongoing reporting by the Standards Officer to the IJB SMT during the year.
- 5.4. The internal audit reports issued during the year have identified some areas for improvement, and in accordance with the agreed protocol these have been included in Pentana as risk actions.
- 5.5. Having considered the foregoing, I am of the opinion that the IJB has a sound framework of governance, risk management and control.

Kenneth Ribbons
IJB Internal Auditor

APPENDIX A

RISK BASED AUDITS 2020/21

Audit	Date of Report to Audit Risk and Governance Committee	Reference	Audit Conclusion
Governance	2/12/20	EX2002	Effective
Performance Management	2/12/20	EX2003	Effective
Financial Planning	24/02/21	EX2004	Effective

APPENDIX B

AUDIT REPORT CONCLUSIONS

Overall Opinion	Definition
Effective	No recommendations ranked as 'High' importance. There may be a few 'Low' and 'Medium' recommendations.
Satisfactory	No recommendations ranked as 'High' importance. There are a moderate number of 'Low' and 'Medium' recommendations.
Requires Improvement	A few recommendations ranked as 'High' importance. There may also be a number of recommendations ranked as 'Low' and 'Medium' importance.
Unsound	A considerable number of recommendations ranked as 'High' importance resulting in an unsound system of control. There may also be a number of recommendations ranked as 'Low' and 'Medium' importance.

APPENDIX C

CIPFA DIRECTORS OF FINANCE PERFORMANCE INDICATORS

The table below sets out internal audit's ranking for 2019/20, the latest year for which benchmarking information is available.

Performance Indicator	2019/20	Ranking (of 32 Scottish Councils)
Cost of internal audit per £1 million of West Lothian Council's net expenditure	£457	2
Percentage of planned productive audit days actually achieved for the year	99%	11



Date	17 June 2021
Agenda Item	10

Report to Audit Risk and Governance Committee

Report Title: High Risks

Report By: IJB Risk Manager

Summary of Report and Implications	
Purpose	This report:
	- seeks a decision <input type="checkbox"/>
	- is to provide assurance <input type="checkbox"/>
	- is for information <input checked="" type="checkbox"/>
	- is for discussion <input checked="" type="checkbox"/>
	The purpose of this report is to inform the committee of the IJB's high risks.
Recommendations	It is recommended that the Audit, Risk and Governance Committee considers the risks identified, the control measures in place, and the risk actions in progress to mitigate their impact.
Directions to NHS Lothian and/or West Lothian Council	A direction is not required.
Resource/ Finance/ Staffing	None.
Policy/Legal	The IJB's Policy is to effectively mitigate risks to the achievement of its objectives by implementing robust risk management strategies, policies and procedures, which enable managers to effectively identify, assess, and mitigate risk.
Risk	Directly relevant. This report sets out the IJB's high risks.
Equality, Health Inequalities, Environmental and Sustainability Issues	The report has been assessed as having little or no relevance with regard to equality or the Public Sector Equality Duty. As a result, an equality impact assessment has not been conducted.

Strategic Planning and Commissioning	Effective risk management is a pre-requisite for effective performance and outcomes.
Locality Planning	None.
Engagement	IJB Senior Management Team.



Terms of Report	
1. High Risks	
1.1	At its meeting on 28 March 2018 the Audit, Risk and Governance Committee asked that the IJB's high risks be reported to all of its meetings. This report fulfils that obligation.
1.2	Risks are assessed on the basis of a five by five grid of likelihood and impact, and therefore the lowest possible score is one and the highest is 25. The IJB's high risks are defined as those risks which have a current risk score of 12 or more.
1.3	Appendix one to this report sets out the IJB's high risks. There are two high risks, as follows: <ul style="list-style-type: none"> • IJB002 Failure to effectively implement the Strategic Plan (score 12); • IJB004 Inadequate Funding to Deliver Strategic Plan (score 12).
1.4	In relation to appendix one: <ul style="list-style-type: none"> • The traffic light icon represents the risk ranking based on the score; these are explained further in the table at the start of Appendix 1; • There is a code, title and description for each risk; • The original risk score represents the uncontrolled risk, that is to say the risk without controls in place, and provides an appreciation of the potential impact if controls are absent or fail; • The current risk score represents the current risk, i.e. assuming that current controls are in place and effective; • The internal controls are those processes in place to reduce the risk from original risk score to current risk score; • The risk actions are those measures which are intended to further reduce the current risk. The report only includes those which are in progress. Once marked as complete, risk actions should be included as internal controls and taken account of when assessing the current risk score.
1.5	The standard risk assessment methodology is attached as Appendix 2.

Appendices	1. IJB High Risks 2. Risk Assessment Methodology
References	None.
Contact	Kenneth Ribbons, IJB Risk Manager Kenneth.ribbons@westlothian.gov.uk 01506 281573




Appendix 1 IJB High Risks


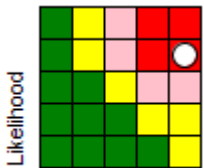
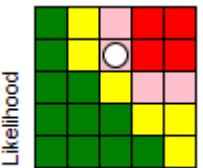




Report Author: Kenneth Ribbons
Generated on: 03 June 2021 11:08
Report Layout: .. 12 (previously R09d) Original Score, Current Score, Target Score, Internal Controls with linked actions (outstanding only)






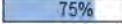
Key to Risk Scores


Icon	Score	Meaning
	16-25	High
	12-15	Medium High

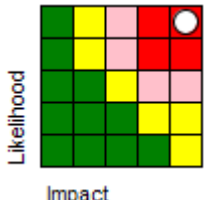
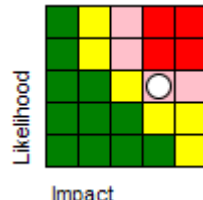




Key to Action Status

Icon	Status
	Overdue
	Approaching Due Date
	In progress

	IJB002 Failure to effectively implement the Strategic Plan	The Strategic Plan sets out how the IJB intends to deliver the nine national health and well- being outcomes through our strategic priorities and transformational change programmes. Failure to effectively develop and implement strategic commissioning plans for specific care groups within the medium term financial planning framework may lead to key objectives not being achieved. The Covid-19 pandemic is likely to impact on full delivery of the plan and is likely to delay the timeframe of some actions outlined in supporting strategic commissioning plans.						
Internal Controls:		Extensive consultation on the strategic plan Strategic plan based on national and local policy Review of the strategic plan by IJB SMT Revised strategic plan approved by the IJB on 23/4/19 Associated strategic directions Revised strategic planning structure Strategic Planning group Health Care Governance group Revised monthly management performance report Covid reflections SPG workshops Commissioning plans reviewed and revised to reflect impact of Covid-19						
Risk Score	Original Risk Matrix	Risk Score	Current Risk Matrix	Linked Risk Actions	Original Due Date	Due Date	Progress	Description
20  Likelihood Impact		12  Likelihood Impact		 IJB19010_Ar Strategic Commissioning Plan Mental Health	31-Mar-2023	31-Mar-2023		Ensure implementation of 3 year Strategic Commissioning Plans for Mental Health as approved by IJB on 21 January 2020
				 IJB19011_Ar Strategic Commissioning Plan Older People	31-Mar-2023	31-Mar-2023		Further develop and implement the Strategic Commissioning Plan for Older People as approved by IJB on 21 January 2020

			IJB19012_Ar Strategic Commissioning Plan Physical Disability	31-Mar- 2023	31-Mar- 2023		Implement Strategic Commissioning Plan for Physical Disability as approved by IJB on 21 January 2020
			IJB19013_Ar Strategic Commissioning Plan Learning Disability	31-Mar- 2023	31-Mar- 2023		Develop and implement Strategic Commissioning Plan for Learning Disability as approved by IJB on 21 January 2020
			IJB19014_Ari Strategic Plan Progress Reporting	30-Jun- 2020	30-Dec- 2021		<p>Review of arrangement for reporting on progress of the Strategic Plan 2019-2023:</p> <ul style="list-style-type: none"> - cycle of reports for the IJB to be reviewed and will include a commitment to formally updating the IJB on progress in relation to strategic commissioning plans twice per year. Strategic commissioning plans are the mechanism through which the strategic objectives of the IJB will be delivered. Revised cycle of reports to be submitted to IJB in January 2020. - a performance management framework will be developed to underpin commissioning plans and to provide a mechanism for monitoring impact and progress in relation to strategic objectives. The performance framework will be submitted to the IJB along with progress reports. Framework to be in place by June 2020.

	IJB004 Inadequate Funding to Deliver the Strategic Plan	<p>Financial implications of Covid-19 are not met by additional funding provided by the Scottish Government. Core funding provided by partner bodies is inadequate, or is not effectively prioritised, including through the development of financial recovery plans, leading to failure to achieve a sustainable budget position and meet strategic objectives.</p>
Internal Controls:		<p>Covid-19 Pandemic Lothian Covid-19 Finance Group set up and meeting regularly to ensure there is a joined up approach to identifying the financial implications arising from the pandemic. Regular updates to Scottish Government and IJB on Local Mobilisation Plan costs associated with the pandemic and additional funding received</p> <p>Failure to effectively manage the financial plan Chief Finance Officer (S95 officer) Due diligence by S95 officer on budget contributions from partner bodies each year as part of annual budget process Approval of resource allocations by IJB Monitoring / reporting of progress regarding outturn and delivery of savings reported regularly to IJB Financial reports to IJB include updates to key risks and uncertainties Scrutiny by Audit, Risk and Governance Committee Internal audit and external audit oversight. Financial Regulations in place WL Integration Scheme – agreed financial and budgetary responsibilities including for overspends against delegated IJB functions Ongoing development of medium term financial plan 2019/20 to 2022/23 submitted to the IJB on 23 April 2019 and further update provided to the IJB board on 30 June 2020 Reserves policy in place Regular updates to IJB Chief Officer group on key financial and budget matters relating to delivery of health and social care services Adoption of CIPFA Financial Management Code by IJB</p> <p>Unbudgeted and emergency budgeted pressures Financial reports to IJB include updates to key risks and uncertainties WL Integration Scheme – agreed financial and budgetary responsibilities including for overspends against delegated IJB functions Reserves policy in place Regular updates to IJB Chief Officer group on key financial and budget matters relating to delivery of health and social care services</p>

Risk Score	Original Risk Matrix	Risk Score	Current Risk Matrix	Linked Risk Actions	Original Due Date	Due Date	Progress	Description
25		12		 IJB19002_Ar Development of Updated Medium Term Financial Plan	30-Jun-2020	30-Jun-2021		Assessment of 2021 Scottish Budget and work collaboratively with LG and NHS partners to develop updated IJB medium term financial plan taking account of Covid-19 and other key issues impacting on the wider economy and public sector.
				 IJB19021_Are MTFP savings gap	31-Mar-2020	30-Jun-2021		Further development of IJB Medium Term Financial Strategy and savings proposals will be undertaken during 2020/21. This will involve close partnership working with partner bodies and finance and will take account of Covid-19 impacts. As well as existing arrangements in place, this will be supported through joint Lothian Finance Group established comprising of NHS Lothian Director of Finance, Lothian Local Authority Section 95 officers and Lothian IJB Chief Finance Officers. A key area being progressed by the group is developing a more joined up approach to financial planning. EY annual audit report action plan item 2 refers.

RISK ASSESSMENT METHODOLOGY

RISK MATRIX

LIKELIHOOD	Almost Certain 5	5 Low	10 Medium	15 High	20 High	25 High
	Very Likely 4	4 Low	8 Medium	12 High	16 High	20 High
	Likely 3	3 Low	6 Low	9 Medium	12 High	15 High
	Possible 2	2 Low	4 Low	6 Low	8 Medium	10 Medium
	Unlikely 1	1 Low	2 Low	3 Low	4 Low	5 Medium
		Insignificant 1	Minor 2	Significant 3	Major 4	Catastrophic 5
		IMPACT				

LIKELIHOOD TABLE

Score	Description	Estimated Percentage Chance
1	Unlikely	0-10
2	Possible	10-50
3	Likely	50-70
4	Very Likely	70-90
5	Almost Certain	90-100

Each risk is scored 1-5 for likelihood.

In assessing likelihood consider a three year time horizon and use your knowledge and experience of previous issues, both within the council and elsewhere.

IMPACT TABLE

Each risk is scored 1-5 for impact. In assessing impact each column is independent. Use the highest score.

<u>Hazard / Impact of Risk</u>	Personal safety	Property loss or damage	Regulatory / statutory / contractual	Financial loss or increased cost of working	Impact on service delivery	Personal privacy infringement	Community / environmental	Impact on Reputation
Insignificant 1	Minor injury or discomfort to an individual	Negligible property damage	None	<£10k	No noticeable impact	None	Inconvenience to an individual or small group	Contained within service unit
Minor 2	Minor injury or discomfort to several people	Minor damage to one property	Litigation, claim or fine up to £50k	£10k to £100k	Minor disruption to services	Non sensitive personal information for one individual revealed / lost	Impact on an individual or small group	Contained within service
Significant 3	Major injury to an individual	Significant damage to small building or minor damage to several properties from one source	Litigation, claim or fine £50k to £250k.	>£100k to £500k	Noticeable impact on service performance.	Non sensitive personal information for several individuals revealed / lost	Impact on a local community	Local public or press interested
Major 4	Major injury to several people	Major damage to critical building or serious damage to several properties from one source	Litigation, claim or fines £250k to £1m	>£500k to £2m	Serious disruption to service performance	Sensitive personal information for one individual revealed / lost	Impact on several communities	National public or press interest
Catastrophic 5	Death of an individual or several people	Total loss of critical building	Litigation, claim or fines above £1m or custodial sentence imposed	>£2m	Non achievement of key corporate objectives	Sensitive personal information for several individuals revealed / lost	Impact on the whole of West Lothian or permanent damage to site of special scientific interest	Officer(s) and/or members dismissed or forced to resign



Date	17 June 2021
Agenda Item	11

Report to Audit Risk and Governance Committee

Report Title: Internal Audit Liaison

Report By: IJB Internal Auditor

Summary of Report and Implications	
Purpose	This report: (tick any that apply).
	- seeks a decision <input type="checkbox"/>
	- is to provide assurance <input type="checkbox"/>
	- is for information <input checked="" type="checkbox"/>
	- is for discussion <input checked="" type="checkbox"/>
	The purpose of this report is to inform the Audit, Risk and Governance committee of the proposed joint working arrangements with the NHS Lothian internal audit service.
Recommendations	It is recommended that the Audit, Risk and Governance Committee considers the proposed approach.
Directions to NHS Lothian and/or West Lothian Council	A direction is not required.
Resource/ Finance/ Staffing	None.
Policy/Legal	None.
Risk	When preparing the internal audit plan due consideration is given to the risks to achieving the IJB's objectives as set out in the IJB's risk register.
Equality, Health Inequalities, Environmental and Sustainability Issues	The report has been assessed as having little or no relevance with regard to equality or the Public Sector Equality Duty. As a result, an equality impact assessment has not been conducted.

Strategic Planning and Commissioning	Indirectly via the risk based audit of processes to determine their effectiveness.
Locality Planning	None.
Engagement	NHS Lothian Internal Auditor, Lothian IJB Internal Auditors.

Terms of Report	
1. Internal Audit Arrangements	
1.1	The Committee will be aware that as the appointed internal auditor for the West Lothian IJB I ask the Committee to authorise an annual internal audit plan. The plan is risk based and therefore focuses on risks to the IJB's objectives as set out in the IJB's risk register.
1.2	Most of the IJB's risks are strategic in nature reflecting the IJB's role in issuing directions to West Lothian Council and NHS Lothian. However there are risks of an operational nature which were considered sufficiently important to include in the IJB's risk register: the sustainability of primary care and delayed discharge. The risks in the IJB risk register have been audited on a cyclical basis as agreed with the Committee with the emphasis placed on the high risks.
1.3	The NHS Lothian internal audit team has in the past offered to conduct internal audit work for the IJB. This offer was accepted on the basis that the NHS Lothian internal auditors would conduct internal audit work on NHS Lothian operational matters, submit the resultant report to the NHS Lothian Audit and Risk Committee, and then via myself to this Committee. For example an NHS Lothian internal audit report on performance management was submitted to this Committee in October 2017.
1.4	Since all NHS Lothian internal audit reports are publicly available on NHS Lothian's website, the most recent approach has been to select from these for reporting to this Committee, for example an NHS Lothian internal audit report on GP Sustainability was submitted to this Committee in September 2019, and a report on Financial Sustainability was submitted in March 2020.
1.5	The NHS Lothian chief internal auditor is now proposing that a specific time allocation be ring fenced within her annual internal audit plan for each IJB. An individual within the NHS Lothian internal audit team would be provided to us to work under our direction on a topic of our choice. The resultant report would be reported to this Committee and then shared with the NHS Lothian Audit and Risk Committee.
1.6	In terms of a specific topic, I would wish to consult with the new IJB Chief Officer when she has taken up her post. The proposed topic will then be submitted to this Committee for its endorsement. The Committee may of course also have its own views on potential internal audit topics.

Appendices	None
References	None.

Contact	Kenneth Ribbons, IJB Internal Auditor Kenneth.ribbons@westlothian.gov.uk 01506 281573
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Date	17 June 2021
Agenda Item	12

Report to West Lothian Integration Joint Board Audit, Risk and Governance Committee

Report Title: NHS in Scotland 2020

Report By: Chief Finance Officer

Summary of Report and Implications	
Purpose	This report: (tick any that apply).
	- seeks a decision <input type="checkbox"/>
	- is to provide assurance <input type="checkbox"/>
	- is for information <input checked="" type="checkbox"/>
	- is for discussion <input checked="" type="checkbox"/>
	The purpose of this report is to update the Committee on the NHS in Scotland 2020 report prepared by the Auditor General. The Committee is asked to consider the key messages and recommendations contained in the report.
Recommendations	It is recommended that the Committee notes and considers the key messages and recommendations contained in the 2020 report
Directions to NHS Lothian and/or West Lothian Council	A direction(s) is not required.
Resource/ Finance/ Staffing	None.
Policy/Legal	None.
Risk	None.
Equality, Health Inequalities, Environmental and Sustainability Issues	The report has been assessed as having little or no relevance with regard to equality or the Public Sector Equality Duty. As a result, an equality impact assessment has not been conducted.

Strategic Planning and Commissioning	The report highlights the importance of local and national strategic planning to meet integration objectives.
Locality Planning	None.
Engagement	Relevant officers in NHS Lothian and West Lothian Council.

Terms of Report	
1. Background	
1.1	The Auditor General's NHS in Scotland 2020 report was published at the end of February 2021. It notes that the Covid-19 pandemic has created a unique and challenging set of circumstances for the NHS in Scotland. The report outlines the response to the pandemic by the NHS in Scotland and presents an overview of its financial and operational performance for 2019/20.
1.2	The Auditor General's report is attached in Appendix 1 and the key messages and recommendations contained in the report are set out below. It should be noted that although there are some references to wider health and social care, unlike previous year reports, there are no specific recommendations applying to Integration Authorities contained in the 2020 report.
2. Key Messages	
2.1	The challenges presented by Covid-19 are significant and unprecedented. Staff across the NHS and Scottish Government have worked hard, in challenging circumstances, to respond quickly to the pandemic. NHS frontline staff have put themselves at risk to meet the demands presented by Covid-19, reflecting their extraordinary commitment to public service. The NHS implemented several actions during the first wave of Covid-19 that prevented it from becoming overwhelmed, such as increasing intensive care capacity and stopping non-urgent planned care. The Scottish Government's Test and Protect strategy is crucial to suppressing the virus and will continue to be until Covid-19 vaccinations are fully rolled out.
2.2	Some people have been more adversely affected by Covid-19 than others. For instance, those from the most deprived areas are twice as likely to die from Covid-19 than those in the least deprived areas. Covid-19 has so far caused or contributed to the deaths of almost 9,000 people across Scotland, and deaths from other causes were also higher than average at the start of the pandemic. The NHS workforce has been under considerable pressure during the pandemic, with high levels of work-related stress reported.
2.3	The Scottish Government could have been better prepared to respond to the Covid-19 pandemic. It based its initial response on the 2011 UK Influenza Pandemic Preparedness Strategy but did not fully implement improvements identified during subsequent pandemic preparedness exercises. It also did not include an influenza pandemic as a standalone risk in its corporate or health and social care directorate risk registers, despite assessing it as high risk.
2.4	Remobilising the full range of NHS services is challenging and maintaining innovation and learning from the pandemic will be essential. Covid-19 has led to a substantial backlog of patients waiting for treatment. NHS boards are prioritising those in most urgent need; those who are of lower clinical priority will have to wait longer. NHS leaders need to work collaboratively, in partnership across public services, to deal with the ongoing challenges caused by Covid-19 and to remobilise services.

- 2.5 Covid-19 has exacerbated the existing financial and operational challenges in the NHS and is predicted to cost £1.67 billion in 2020/21. Most NHS boards achieved their savings targets in 2019/20, but four NHS boards needed additional financial support from the Scottish Government to break even. Responding to the pandemic has resulted in significant additional expenditure across health and social care and there is uncertainty about the longer-term financial position.

3 Recommendations

- 3.1 The recommendations in the report fall into two categories, firstly specific recommendations to the Scottish Government and also recommendations for the Scottish Government and NHS Boards.

- 3.2 The report notes that the Scottish Government should:

- Ensure that NHS National Services Scotland returns to procuring personal protective equipment (PPE) through a competitive tender process as soon as practicable, considering options that reduce the environmental impact where possible, while demonstrating good value for money and robust quality assurance ([paragraph 17, page 12 in report](#))
- Update and publish national pandemic guidance for health and social care as a priority. The scope of this guidance should not be limited to covering only an influenza pandemic and it should include lessons learned from the Covid-19 pandemic and the previous pandemic preparedness exercises ([paragraph 46, page 21 in report](#))
- Ensure that the work undertaken as part of the re-mobilise, recover, re-design programme of work has clear priorities that align with the remobilisation framework. Work should be monitored and reported to ensure sufficient progress is being made ([paragraph 56, page 25 in report](#))
- Work with its partners to update the integrated workforce plan. This should consider how services will be delivered differently in the future, and how this will affect the shape of the health and social care workforce in the longer term ([paragraph 57, page 25 in report](#))
- Ensure that all NHS leaders, particularly those newly appointed, have the support they need to balance the ongoing challenges presented by Covid-19 with the need to remobilise health and social care services ([paragraph 60, page 26 in report](#)).

- 3.3 The report also notes that the Scottish Government and NHS Boards should:

- Monitor and report on the effectiveness of the measures introduced to support the health and wellbeing of staff, to assess whether sufficient progress is being made ([paragraph 23, page 14 in report](#))
- Take action to meet the needs of those whose access to healthcare has been reduced as a result of the pandemic and monitor the long-term impact of this on health outcomes ([paragraph 27, page 16](#)) ([paragraph 49, page 22 in report](#))
- Publish data on performance against the clinical prioritisation categories to enable transparency about how NHS boards are managing their waiting lists ([paragraph 48, page 22 in report](#)).

Appendices

1. NHS in Scotland 20/20 Report

References	1. NHS in Scotland 20/20 Report
Contact	Patrick Welsh, Chief Finance Officer, West Lothian Integration Joint Board Email: patrick.welsh@westlothian.gov.uk Tel. No: 01506 281320

NHS in Scotland 2020



AUDITOR GENERAL 

Prepared by Audit Scotland
February 2021

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- check whether they achieve value for money.

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- Scottish Water
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Audit team

The core audit team consisted of Leigh Johnston, Fiona Watson, Eva Thomas-Tudo and John Kirkwood, with support from other colleagues and under the direction of Angela Canning.

Links

-  PDF download
-  Web link

Summary



Key messages

- The challenges presented by Covid-19 are significant and unprecedented. Staff across the NHS and Scottish Government have worked hard, in challenging circumstances, to respond quickly to the pandemic. NHS frontline staff have put themselves at risk to meet the demands presented by Covid-19, reflecting their extraordinary commitment to public service. The NHS implemented several actions during the first wave of Covid-19 that prevented it from becoming overwhelmed, such as increasing intensive care capacity and stopping non-urgent planned care. The Scottish Government's Test and Protect strategy is crucial to suppressing the virus and will continue to be until Covid-19 vaccinations are fully rolled out.
- Some people have been more adversely affected by Covid-19 than others. For instance, those from the most deprived areas are twice as likely to die from Covid-19 than those in the least deprived areas. Covid-19 has so far caused or contributed to the deaths of almost 9,000 people across Scotland, and deaths from other causes were also higher than average at the start of the pandemic. The NHS workforce has been under considerable pressure during the pandemic, with high levels of work-related stress reported.
- The Scottish Government could have been better prepared to respond to the Covid-19 pandemic. It based its initial response on the 2011 UK Influenza Pandemic Preparedness Strategy but did not fully implement improvements identified during subsequent pandemic preparedness exercises. It also did not include an influenza pandemic as a standalone risk in its corporate or health and social care directorate risk registers, despite assessing it as high risk.
- Remobilising the full range of NHS services is challenging and maintaining innovation and learning from the pandemic will be essential. Covid-19 has led to a substantial backlog of patients waiting for treatment. NHS boards are prioritising those in most urgent need; those who are of lower clinical priority will have to wait longer. NHS leaders need to work collaboratively, in partnership across public services, to deal with the ongoing challenges caused by Covid-19 and to remobilise services.

- Covid-19 has exacerbated the existing financial and operational challenges in the NHS and is predicted to cost £1.67 billion in 2020/21. Most NHS boards achieved their savings targets in 2019/20, but four NHS boards needed additional financial support from the Scottish Government to break even. Responding to the pandemic has resulted in significant additional expenditure across health and social care and there is uncertainty about the longer-term financial position.

Recommendations

The Scottish Government should:

- ensure that NHS National Services Scotland returns to procuring personal protective equipment (PPE) through a competitive tender process as soon as practicable, considering options that reduce the environmental impact where possible, while demonstrating good value for money and robust quality assurance ([paragraph 17, page 12](#))
- update and publish national pandemic guidance for health and social care as a priority. The scope of this guidance should not be limited to covering only an influenza pandemic and it should include lessons learned from the Covid-19 pandemic and the previous pandemic preparedness exercises ([paragraph 46, page 21](#))
- ensure that the work undertaken as part of the re-mobilise, recover, re-design programme of work has clear priorities that align with the remobilisation framework. Work should be monitored and reported to ensure sufficient progress is being made ([paragraph 56, page 25](#))
- work with its partners to update the integrated workforce plan. This should consider how services will be delivered differently in the future, and how this will affect the shape of the health and social care workforce in the longer term ([paragraph 57, page 25](#))
- ensure that all NHS leaders, particularly those newly appointed, have the support they need to balance the ongoing challenges presented by Covid-19 with the need to remobilise health and social care services ([paragraph 60, page 26](#)).

The Scottish Government and NHS boards should:

- monitor and report on the effectiveness of the measures introduced to support the health and wellbeing of staff, to assess whether sufficient progress is being made ([paragraph 23, page 14](#))
- take action to meet the needs of those whose access to healthcare has been reduced as a result of the pandemic and monitor the long-term impact of this on health outcomes ([paragraph 27, page 16](#)) ([paragraph 49, page 22](#))
- publish data on performance against the clinical prioritisation categories to enable transparency about how NHS boards are managing their waiting lists ([paragraph 48, page 22](#)).

Introduction



- 1.** The Covid-19 pandemic has created a unique and challenging set of circumstances for the NHS in Scotland. This report outlines the response to the pandemic by the NHS in Scotland and presents an overview of its financial and operational performance for 2019/20 [\(Appendix 1, page 37\)](#).
- 2.** The Scottish Government and NHS in Scotland's response to Covid-19 continues to develop as the pandemic progresses. Policy and guidance are being updated frequently and our findings reflect the situation at January 2021, using information available prior to publication. We plan to consider the longer-term impact of Covid-19 in our *NHS in Scotland 2021* report.
- 3.** We would like to acknowledge the support and assistance provided by the Scottish Government and NHS boards that has enabled us to prepare this report.

The response to Covid-19



The challenges presented by Covid-19 are significant and unprecedented The Scottish Government and NHS in Scotland responded quickly to the rapidly developing pandemic

4. The response to the Covid-19 pandemic by the Scottish Government and NHS Scotland began soon after the emergence of the outbreak in China, before any cases had been confirmed in Scotland. In January 2020, the Scottish Government started to implement its emergency response plans. This included attending the UK Government's COBRA meetings and activating the Scottish Government Resilience Room (SGoRR). The SGoRR is the main point of contact between the UK Government and Scotland's resilience partnerships in the event that UK-level action is initiated.¹ The four nations of the UK coordinated their initial response to the pandemic, publishing a joint Covid-19 action plan on 3 March 2020.² This action plan is based on the 2011 UK Influenza Pandemic Preparedness Strategy.³ Military liaison officers were deployed to NHS boards to assist with logistics and planning.

5. The Scottish Government established a Covid-19 directorate, with a workforce of staff redeployed from other departments across the government. There was good oversight and regular communication across the NHS and Integration Authorities (IAs) from the Scottish Government.⁴ NHS boards revised their governance arrangements during the pandemic. Some reduced in size or suspended subcommittees, while maintaining close contact with the Scottish Government and their local partners.

The NHS implemented a number of actions that prevented it from becoming overwhelmed

6. The Scottish Government had difficult decisions to make about how to prevent the NHS from becoming overwhelmed during the first wave of the Covid-19 pandemic. There are longer-term risks associated with some of these decisions, but the Scottish Government needed to prioritise creating additional capacity for Covid-19 patients. From March 2020, the Scottish Government instructed NHS boards to implement several key actions at pace, that enabled them to treat Covid-19 patients while maintaining vital emergency, maternity and urgent care. For instance:

- All non-urgent surgery, treatment and appointments were suspended, and national screening programmes for some types of cancer were paused. This enabled existing facilities and equipment to be repurposed and staff to be retrained and redeployed to support the response to Covid-19.
- The number of intensive care beds was increased from 173 to 585.⁵ This meant that the NHS had sufficient intensive care capacity throughout the first wave of the pandemic. The number of patients in intensive care beds

(including non-Covid-19 patients) exceeded the original capacity between 31 March and 24 April, peaking at 250 on 9 April. The number of Covid-19 patients in intensive care beds peaked at 221 on 12 April.

- A rapid discharge strategy was introduced with the aim of reducing delayed discharges from hospital. This resulted in a reduction of 64 per cent, from 1,612 on 4 March to 580 on 27 April. The impact of this strategy on outbreaks of Covid-19 in care homes is discussed in [paragraph 29, page 17](#).
- NHS workforce capacity was increased, which enhanced NHS resilience. During the first wave of Covid-19, 4,880 nursing students were deployed, registration dates for 575 junior doctors were brought forward and recently retired NHS staff were invited to return to work. An accelerated recruitment portal was also launched, which received 16,000 expressions of interest.
- Digital improvements were rolled out across the NHS including software to facilitate working from home, and the use of virtual appointments such as Near Me increased.⁶ Video consultations increased from about 300 per week in March 2020 to more than 18,000 per week in November 2020. By December, more than 600,000 video consultations had taken place.
- The NHS Louisa Jordan, a temporary hospital at the Scottish Event Campus in Glasgow, was established. It was set up in under three weeks and was operational by 20 April, with an initial capacity of 300 beds, and the ability to expand to 1,036 beds if needed – including 90 intensive care unit (ICU) beds. The hospital has not yet been needed to treat Covid-19 patients. It has been used for outpatient appointments and for diagnostic services such as X-ray and ultrasound. By January 2021, the facilities had also been used to train more than 5,000 healthcare staff and students and vaccinate nearly 10,000 NHS staff.⁷ The hospital remains on standby to receive Covid-19 patients if needed.
- Covid-19 community hubs and assessment centres were established. These hubs assess patients presenting with Covid-19 symptoms in the community, relieving pressure on GP surgeries. Between March 2020 and January 2021, over 250,000 consultations for advice or assessment were conducted through these hubs and centres.⁸

7. Cases of Covid-19 in Scotland decreased significantly over summer 2020 but started to increase again throughout autumn and winter.⁹ The NHS already faces more demand and pressure over winter months and increasing cases of Covid-19 exacerbated these existing challenges. The Scottish Government published its *Winter Preparedness Plan* in October 2020, which outlined several strategies during the second wave to prevent the NHS from becoming overwhelmed. Strategies included the ability to expand ICU capacity again if needed, while maintaining access to essential healthcare services, including mental health support. Some of the strategies for suppressing Covid-19 during the second wave differed from the response during the first wave.¹⁰ For instance:

- An extensive vaccination programme has been implemented. Three Covid-19 vaccines have been approved by the UK Medicines and Healthcare Products Regulatory Agency. The Scottish Government committed that by 5 February 2021, care home staff and residents, frontline health workers and people aged over 80 years in the community will have received their first dose. By 1 February 2021, more than 500,000 people had received

their first vaccination. The Scottish Government also increased eligibility criteria for the flu vaccine, to help prevent additional pressure being placed on the NHS.

- The Test and Protect programme is being expanded to help suppress the virus. The Scottish Government increased testing capacity, widened eligibility criteria, and improved contact tracing processes to quickly isolate potential cases.
- New clinical triage arrangements for urgent care have been introduced through NHS 24. This aims to optimise access to care by offering virtual appointments or a face-to-face appointment, if required, at the nearest Accident and Emergency (A&E). This aims to reduce demand on healthcare services under pressure and avoid unnecessary travel and waiting in crowded areas.

The Test and Protect strategy is crucial to suppressing the virus and will remain so until Covid-19 vaccinations are fully rolled out

8. Testing, tracing and isolating all cases of Covid-19, and quarantining their contacts is essential to control transmission of the virus.¹¹ The Scottish Government published its Test and Protect strategy on 4 May 2020. The strategy aims to control the spread of Covid-19 by identifying local outbreaks in the community and tracing contacts to prevent further transmission. The Scottish Government set up a new directorate to lead the strategy and launched the Test and Protect programme on 28 May.

9. The Scottish Government recognised that having enough capacity to test all possible cases of Covid-19 would be essential for the Test and Protect strategy to be effective. The Scottish Government planned to increase testing capacity in Scotland to 65,000 per day by December 2020. This target was achieved, with a maximum capacity for more than 68,000 tests per day created by the end of December. By the end of January 2021, Scotland had a maximum capacity for more than 77,000 tests per day. The majority of testing capacity was provided by the UK Government testing programme (64 per cent) and the remainder by NHS Scotland laboratories (36 per cent).

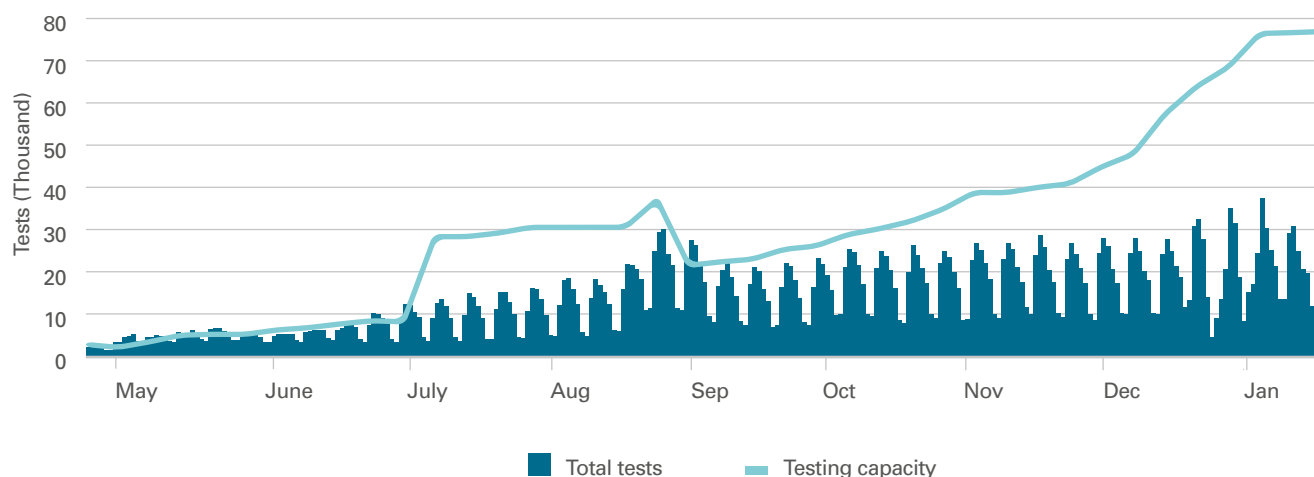
10. The number of tests carried out has not yet increased in line with this additional capacity. In October 2020, the Scottish Government estimated that demand for tests based on eligible groups at the time would be about 54,000 per day by winter. In January 2021, an average of just over 21,000 tests were carried out per day ([Exhibit 1, page 10](#)). The Scottish Government intends to use the additional capacity to expand eligibility for testing to certain people without symptoms. This includes expanding asymptomatic community testing, and introducing routine testing for:

- workplaces providing essential services where the risk of transmission is high, such as food processing and distribution, and emergency service control rooms
- additional health and care staff such as GPs, pharmacists and community nurses
- close contacts of confirmed cases
- supporting the return to schools.

Exhibit 1

Covid-19 testing capacity and total tests carried out from April 2020 to January 2021

The Scottish Government achieved its target to have capacity for 65,000 tests per day by the end of December 2020. The number of tests carried out has not yet increased in line with the additional capacity.



Notes:

1. In June 2020, Public Health Scotland and the Scottish Government began reporting total capacity as 'NHS Scotland capacity plus full capacity of the Glasgow Lighthouse lab'.
2. In August 2020, total capacity was calculated as NHS Scotland capacity plus a population share of the total UK lighthouse lab network.
3. Capacity data from 21 April to 11 October 2020 was reported by Public Health Scotland. Capacity data from 12 October was reported by NHS NSS and NHS England. Scotland's share of UK Government testing capacity is included from 30 June.

Source: Scottish Government and Public Health Scotland

Between November 2020 and January 2021, enough contacts of people testing positive with Covid-19 have been traced for the system to work effectively

11. Contact tracing is an essential part of the Test and Protect strategy. This is carried out by health protection teams within territorial NHS boards and by the National Contact Tracing Centre (NCTC) managed by NHS National Services Scotland (NHS NSS). The Scottish Government also launched the Protect Scotland app in September 2020, which alerts users if they have been in contact with another app user who has tested positive for the virus. It complements existing contact tracing processes and has more than 1.8 million users.

12. The Scottish Government asked NHS boards to make 2,000 staff from within existing resources available for contact tracing activity ahead of the launch of Test and Protect in May 2020. This was achieved, with 2,002 staff being made available for deployment across NHS boards and the NCTC if required. As prevalence of the virus decreased and NHS services started to resume over summer 2020, some staff returned to their substantive positions. This meant that contact tracing capacity was reduced, with 717 staff being available on 26 August 2020. As cases started to rise again, more staff were rostered to keep up with demand. At 23 December 2020, 2,707 staff had been fully trained in contact tracing.

13. The Scientific Advisory Group for Emergencies (SAGE) agreed that at least 80 per cent of contacts need to be reached for the system to be effective. It also found that contacts that were not isolated within 48-72 hours led to significantly increased spread of the virus.¹² In Scotland, enough cases have had their contacts

traced for the system to work well (95 per cent between 26 October and 24 January). On average, over the same timeframe 84 per cent of contacts of positive cases were traced within 72 hours.¹³ The Test and Protect strategy will remain central to suppressing Covid-19 until the Covid-19 vaccinations are fully rolled out.

Demand for PPE has been unprecedented with shortages early in the pandemic, but the situation has since improved

14. There has been huge global demand for personal protective equipment (PPE) since the start of the pandemic.¹⁴ The Scottish Government had a pandemic PPE stockpile in place, as part of a UK-wide approach, but the PPE requirements during the Covid-19 pandemic were unprecedented. For example, in early February 2020, NHS NSS shipped 96,911 items of PPE weekly, however by 6 April this figure was 24,496,200 weekly. Therefore, the pandemic PPE stockpile was not enough to fully meet the demands of the NHS. For example:

- Some NHS boards reported shortages of certain items of PPE early in the pandemic. NHS boards set up PPE groups to monitor and manage PPE availability. Local supply chains were disrupted during the pandemic, so the National Distribution Centre supplied the majority of PPE.¹⁵ In some instances, however, NHS boards had to procure some items directly.
- In a survey of Scottish members carried out in late April 2020, the British Medical Association (BMA) reported that some doctors did not have access to correct and sufficient PPE. This was highlighted as the most concerning issue for 16 per cent of respondents.¹⁶ Those working in higher-risk areas reported shortages of a number of items of PPE, including full-face visors (29 per cent) and long-sleeved disposable gowns (16 per cent).
- The Royal College of Nursing (RCN) surveyed its members in Scotland in April 2020.¹⁷ It found that, of those respondents working in high-risk environments, 25 per cent had not had their mask fit tested and 47 per cent were asked to reuse single-use equipment.

NHS National Services Scotland has played a vital role in securing and distributing Scotland's PPE supply throughout the pandemic

15. Initial difficulties in supplying and distributing sufficient PPE across the NHS in Scotland have since been resolved and supply is now meeting demand. The central coordination by NHS NSS has been vital in supplying the health and social care sector with PPE throughout the pandemic. Its remit was extended to include distributing PPE directly to General Medical Services, such as GP surgeries and community pharmacies, and social care settings, including private providers. From April 2020, NHS NSS established 48 regional hubs, where PPE has been stored and distributed to social care providers and unpaid carers. Councils and IAs manage the hubs. Between 1 March 2020 and 27 January 2021, NHS NSS had distributed more than 800 million items of PPE to health and social care services throughout Scotland.¹⁸

16. Because of the unprecedented need for PPE and how quickly it was required, NHS NSS procured PPE under emergency regulations, rather than through a competitive tender process as normal. The cost of PPE increased globally because of increased demand. In March 2020, the World Health Organization called on industry and governments to increase PPE manufacturing by 40 per cent to meet demand. In response, NHS NSS worked with a multi-agency team, including Scottish Enterprise and the Scottish Government, to establish new

supply chains with a number of Scotland-based companies. Agreements included providing 40,000 non-sterile gowns per week and a contract to supply high-protection, medical-grade face masks and visors until summer 2021.¹⁹

17. In October 2020, the Scottish Government published its PPE action plan, which outlined its plans for maintaining sufficient supply of PPE to health and social care over the winter.²⁰ The action plan sets out the intention to significantly increase the amount of PPE that is manufactured in Scotland. The Scottish Government aims for over 90 per cent of Scotland's demand for PPE (excluding gloves) to be supplied from Scottish manufacturers by March 2021. This would support its aim to develop a robust and resilient supply chain of many critical items of PPE for any potential future outbreak. The Scottish Government should ensure that NHS NSS returns to procuring PPE through a competitive tender process as soon as practicable. It should consider options that are more environmentally friendly, such as reusable gowns, where possible, while demonstrating value for money and robust quality assurance. We will cover PPE arrangements during the pandemic in more detail in our forthcoming work on this topic.

18. The Scottish Government has been providing PPE across health and social care, free of charge during the pandemic. It has committed to continue this support until the end of June 2021. It is not clear what support, if any, will be available beyond this date for those who were previously responsible for their own PPE supplies.

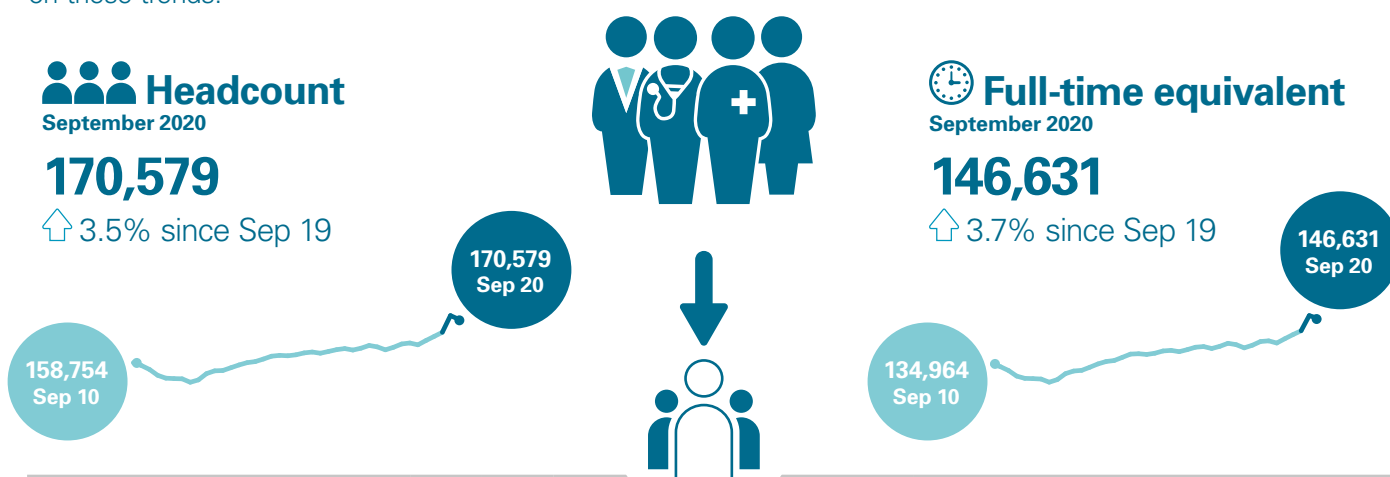
The NHS workforce has been under considerable pressure during the pandemic

19. We have highlighted in previous reports that the NHS workforce has been under pressure for several years.²¹ It has been increasingly difficult to recruit enough people with the necessary skills and using temporary staff has become commonplace ([Exhibit 2, page 13](#)). During the pandemic, staff across the Scottish Government and NHS in Scotland worked hard to maintain essential services. Some staff have been redeployed and retrained, and new staff have been appointed, to support the response to the pandemic. It is too soon to tell what impact this additional recruitment during the pandemic will have on the NHS workforce in the longer term.

Exhibit 2

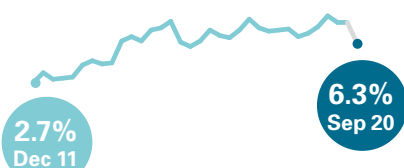
NHS workforce update

The number of people working for the NHS continues to increase, but the NHS continues to struggle to recruit people with the necessary skills. It is too soon to tell what the longer-term impact of the Covid-19 pandemic will be on these trends.



Vacancy rates (September 2020)

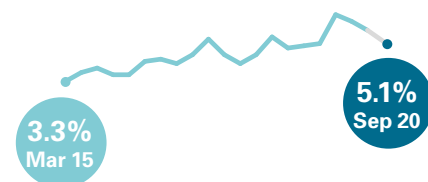
Consultant



55%

vacancies open for at least six months
↑ from 52% in Sep 19

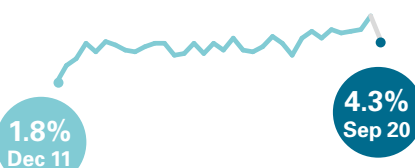
Nursing and midwifery



29%

vacancies open for at least three months
↑ from 28% in Sep 19

Allied health professional



32%

vacancies open for at least three months
↓ from 33% in Sep 19

Temporary staffing costs (2019/20) in real terms

Medical locum

£102.9m

2018/19 - £99.9m

2015/16 - £106.6m

Nursing agency

Data not available for 2019/20

2018/19 - £26.7m

2015/16 - £25.5m

Nursing bank

£180m

2018/19 - £165m

2015/16 - £145.9m

Sickness absence

5.3%

↓ down from 5.4% in 2018/19

Staff turnover

6.4%

↔ no change from 2018/19

20. To better understand the experiences of staff working in health and social care during the pandemic, the Scottish Government and unions have conducted a series of surveys:

- BMA Scotland surveyed Scottish doctors in April 2020.²² The survey showed nearly 40 per cent of 1,171 respondents reported problems with depression, anxiety, stress, burnout, emotional distress or other mental health conditions relating to their work. This had worsened for 25 per cent of respondents during the pandemic.
- The RCN conducted a UK-wide survey in May 2020.²³ It received almost 42,000 responses and reported that nurses feel undervalued and under pressure. Thirty-five per cent of respondents were considering leaving the profession (more than 14,000). Of the 3,800 respondents in Scotland, 77 per cent reported an increase in stress levels and 90 per cent were concerned about the wellbeing of those in the nursing profession. In addition, 34 per cent reported that staffing levels had worsened during the pandemic, with the same percentage reporting that they were working longer hours.
- The Scottish Government conducted a short survey for all NHS, community health and social care staff in September 2020.²⁴ This replaced the annual iMatter staff experience survey and received 83,656 responses, a response rate of 43 per cent. It found that 41 per cent of respondents were worried about the threat of a second wave of Covid-19. Thirty-five per cent were worried about catching Covid-19 themselves and passing it on to colleagues, friends and family.

21. The Scottish Government worked to improve the support available for the health and social care workforce during the pandemic. It established a workforce senior leadership group, bringing together partners, staff and regulators from across health and social care, to respond to issues quickly. The group has met frequently throughout the pandemic and provides strategic guidance and oversight on areas such as staff wellbeing, Covid-19-related absences and guidance for staff needing to shield.

22. Demand for the Scottish Government's National Wellbeing Hub website has been high. By December 2020, there had been over 50,000 visits to the website.²⁵ It was developed by NHS Greater Glasgow and Clyde's Anchor Service and NHS Lothian's Rivers Centre and was launched in May 2020. It gives staff, carers, volunteers and their families access to a range of resources to help them look after their physical and mental health. A helpline and a wellbeing champions network were also launched. In addition, practical staff support was put in place including assistance with accommodation and transport, and the creation of rest areas within NHS hospitals for staff to use.

23. The Scottish Government and NHS boards should monitor and report publicly on the effectiveness of the measures introduced to improve staff health and wellbeing, to assess whether sufficient progress is being made.

Health impact of Covid-19



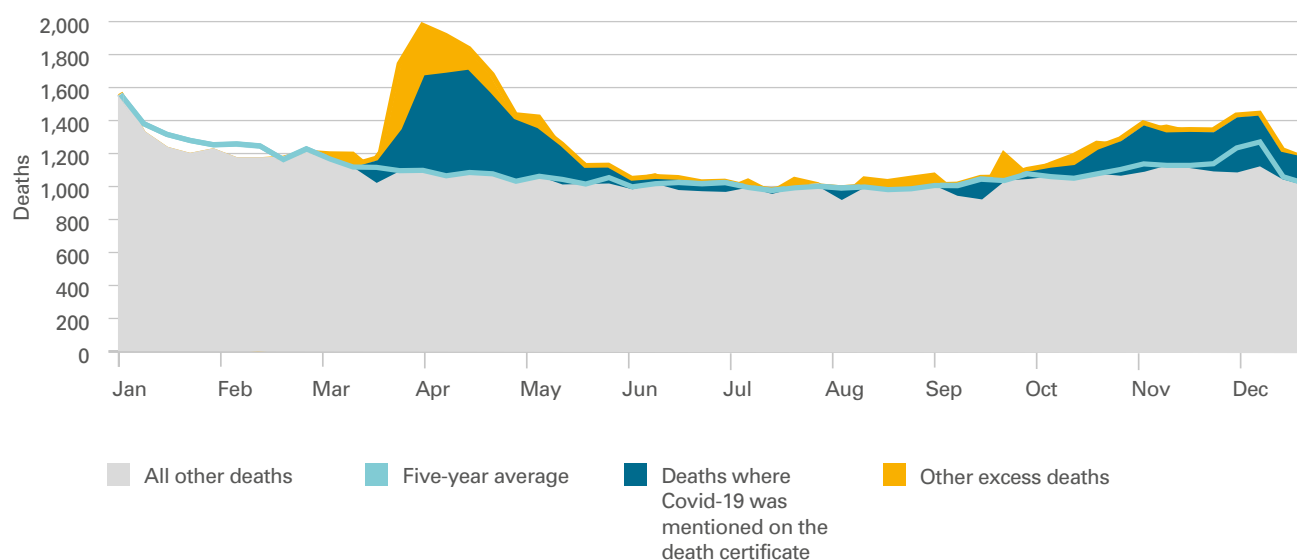
Covid-19 is causing a substantial number of deaths

24. In April and May 2020, deaths from all causes were considerably higher than the five-year average ([Exhibit 3](#)). Most of this increase can be attributed to Covid-19-related deaths. By February 2021, there had been almost 9,000 deaths in Scotland where Covid-19 was mentioned on the death certificate. Between 30 March 2020 and 17 May 2020 however, the number of deaths where Covid-19 was not mentioned on the death certificate was also considerably higher than the five-year average. For example, deaths attributed to heart disease, stroke, cancer and dementia increased significantly in the week beginning 30 March 2020.²⁶

Exhibit 3

Excess deaths January to December 2020

Deaths in April and May 2020 were considerably higher than the five-year average and increased again from September.



Source: National Records of Scotland

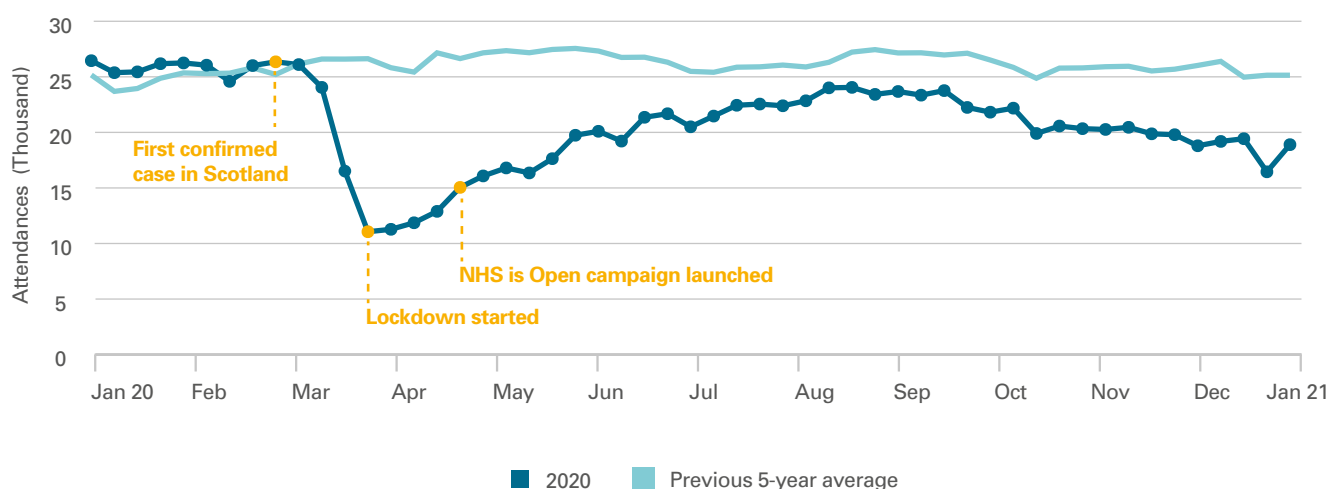
25. During the first few months of the pandemic, the number of people attending A&E fell dramatically ([Exhibit 4, page 16](#)). In April 2020, a survey found that up to 45 per cent of people said they would avoid going to GPs or hospitals for

immediate non-Covid-19-related health concerns.²⁷ The Scottish Government and senior medical officials were concerned that people with symptoms requiring urgent attention, such as those associated with strokes and heart attacks, were not seeking help. There were also concerns that pauses in national screening programmes would cause delayed or missed diagnosis among people with serious medical conditions such as cancer.

Exhibit 4

A&E attendances in Scotland from January 2020 to January 2021

A&E attendances fell sharply during March. Attendances increased steadily between April and September but decreased again throughout winter 2020.



Source: Public Health Scotland

26. The BMA surveyed 1,351 doctors in Scotland in April 2020, as part of regular monitoring of the impact of Covid-19.²⁸ It found that 55 per cent of respondents felt that prioritising patients with Covid-19 was having a detrimental impact on care for people with other healthcare needs.

27. The Scottish Government set up the NHS is Open campaign to encourage people with urgent symptoms to continue to seek help. There were regular reminders that hospitals were open and urgent care was still available. A&E attendances increased between April and August 2020 but started to decrease again from September as Covid-19 cases started to rise. The percentage of people who said they would avoid going to GPs or hospitals decreased from 45 per cent in April to 27 per cent in October.²⁹ There were significantly fewer referrals for outpatient appointments and mental health services between April and June 2020. The longer-term impact of delayed or missed diagnoses or treatment is yet to be determined. The Scottish Government and NHS boards should monitor this and take action to mitigate any adverse impacts as a result.

Some people have been more adversely affected by the pandemic than others

28. Issues emerged across social care during the pandemic that need to be addressed. By July 2020, 65 per cent of all adult care homes reported having at

least one suspected case of Covid-19. By January 2021, 39 per cent of all Covid-19-related deaths were in care homes, 55 per cent were in acute hospitals and six per cent were at home or non-institutional settings.³⁰

29. Public Health Scotland (PHS) reviewed hospital discharges to care homes between 1 March and 31 May 2020 because of the significant number of Covid-19 cases and deaths in care homes.³¹ PHS found that hospital discharge was associated with an increased risk of an outbreak of Covid-19 when considered in isolation. However, the risk of an outbreak was much more strongly associated with the size of care homes. Of the care homes with more than 90 places, 90 per cent had an outbreak, compared to less than four per cent of care homes with fewer than 20 places. After accounting for this and other care home characteristics, PHS considered that the risk associated with hospital discharges decreased and was not statistically significant. Public Health Wales conducted similar analysis and had similar findings. PHS highlighted that there were significant issues with the availability of data about care home residents and made recommendations for improvement.

30. The Scottish Government acknowledged there was a lack of oversight of the care home sector and stepped in to provide an enhanced system of assurance during the pandemic. In April 2020, the Scottish Government announced that NHS directors of public health in NHS territorial boards would provide oversight and clinical support to care homes across Scotland. The Care Inspectorate had stopped on-site inspections early in the pandemic to reduce the risk of spreading Covid-19. From May, the Care Inspectorate resumed on-site inspections of care homes that were deemed to be high risk. The findings of these inspections are currently reported to the Scottish Parliament every two weeks. From 4 May to 31 July, 134 visits had been carried out. These visits resulted in 16 letters of serious concern, one improvement notice and one application for cancellation of registration.³²

31. In May 2020, the Care Inspectorate carried out an unannounced inspection of the 37-bed, privately-run Home Farm Care Home on Skye following the deaths of ten residents from Covid-19. It identified failings in the quality of care provided and made an application for emergency cancellation of Home Farm's registration. NHS Highland became the registered provider and operator of the care home in November 2020, with the Scottish Government providing £0.9 million to fund the purchase.³³

32. Legal experts, human rights groups and others had concerns that people who lacked capacity may have been discharged from hospital or moved without due legal process and without their consent. This may have been a breach of their human rights.³⁴ In addition, the Scottish Human Rights Commission (SHRC) highlighted concerns about the care-at-home provision being reduced or removed during the pandemic.³⁵ It reported that in many cases decisions to change care-at-home provision happened quickly, without adequate assessment of the impact and were poorly communicated. The SHRC made 24 recommendations including to urgently restore care and support; improve assessments and communication; and incorporate the United Nations Convention on the Rights of Persons with Disabilities into Scots law.

33. As part of the Programme for Government 2020/21, the Scottish Government commissioned an independent review of adult social care. This considered options for improvement, including the establishment of a national care service. A report was published in February 2021. The findings of the report will be discussed in our forthcoming work on social care sustainability.

Systemic issues, such as socio-economic and health inequality, were exacerbated during the pandemic, leading to a disproportionate impact on certain groups

34. Certain groups have been disproportionately affected by Covid-19. For example:

- the death rate from Covid-19 is more than twice as high in the most deprived areas (183 per 100,000 population) than in the least deprived areas (79 per 100,000 population)³⁶
- there is around a twofold increase in risk of admission to critical care or death from Covid-19 among people of South Asian origin. There is also evidence of an increased risk of hospitalisation arising from Covid-19 among those of Caribbean or black ethnicity.³⁷

35. In April 2020, the Scottish Government published its framework for decision-making in relation to the use of restrictions to manage the pandemic. This outlined four main categories of harm that the Scottish Government would consider in making decisions on whether to ease or tighten restrictions. These categories were the direct health impact of Covid-19, non-Covid-19-related health harms, societal impact and economic impact. In July, the Scottish Government published an impact assessment of the measures it planned to take to manage the pandemic.³⁸ This outlined how some people with certain protected characteristics and socio-economic disadvantages were more adversely affected by the pandemic and by the measures taken to suppress it.³⁹

36. The Scottish Government established an expert group to study the effects of Covid-19 on minority ethnic communities. In September 2020, the group published two reports with initial advice and recommendations for the Scottish Government.⁴⁰ One report called for improvements in data and evidence on ethnic inequalities and health. The other report recommended improving systemic issues such as socio-economic and health inequality.

37. Health inequalities are wide and have worsened over the last ten years.⁴¹ We have previously reported on the impact of factors such as deprivation and ethnicity on health inequalities.⁴² These long-standing systemic issues were exacerbated during the pandemic, leading to the disproportionate impact experienced by these groups.

The Scottish Government updated its ethical decision-making framework to improve clarity on equality and human rights obligations

38. If the pandemic causes an increase in demand for healthcare that exceeds capacity, complex and challenging decisions may need to be made about the delivery of healthcare. In April 2020, the Scottish Government published an ethical advice and support framework (EASF).⁴³ The EASF outlines the structures and principles for supporting an ethical approach to decision-making during the pandemic if needed.

39. The Scottish Government conducted an equalities impact assessment (EIA) to ensure that the EASF complied with equality and human rights legislation.⁴⁴ As a result, the EASF was updated in July 2020 to improve clarity on equality and

human rights obligations. The language was revised throughout. In addition, a new section on equality and human rights was added to:

- outline how the EASF relates to the Human Rights Act (1998) and the Equality Act (2010)
- emphasise the national commitment to ensure that every patient has the right to the highest possible standard of physical and mental health.

40. As part of the EASF, NHS boards were required to establish ethical advice and support groups. These groups were designed to help clinicians to make difficult ethical decisions and enable theoretical discussions to support planning during the pandemic. A national group was also available to provide advice to local groups and to consider national ethical issues, although this had not been used as of February 2021.

Pandemic preparedness



Not all actions from previous pandemic preparedness exercises were fully implemented

The Scottish Government based its initial response to Covid-19 on the 2011 UK Influenza Pandemic Preparedness Strategy

41. In its consideration and assessments of risks to Scotland, the Scottish Government rated the risk of an influenza pandemic as highly likely to occur with a potentially severe impact.⁴⁵ This aligns with the risk classification of an influenza pandemic in the UK National Risk Register of Civil Emergencies, 2017.⁴⁶ However, the Scottish Government did not include an influenza pandemic as a standalone risk in its corporate or health and social care risk registers. This meant that there was not adequate corporate oversight of this risk, and it is therefore unclear how it was being managed and monitored.

42. The Covid-19 pandemic was caused by a new virus with unknown characteristics. Initially, there was insufficient evidence internationally to show how the virus behaved and was transmitted, who was at risk and what the incubation period was. The Scottish Government had no plan in place to manage this specific kind of outbreak, so its response was informed by the 2011 UK Influenza Pandemic Preparedness Strategy. This was developed jointly by the four governments of the UK. The Scottish Government's response was also informed by the 2017 Management of Public Health Incidents: Guidance on the roles and responsibilities of Incident Management Teams. The Scottish Government's response to Covid-19 had to be adapted frequently as new information emerged.

43. In the five years prior to the Covid-19 pandemic, Scotland was involved in three pandemic preparedness exercises:

- **Exercise Silver Swan** was conducted across Scotland in late 2015 and sponsored by the Scottish Government.⁴⁷ It involved a range of partners, including the Scottish Government, NHS boards, councils and Health and Social Care Partnerships (HSCPs), and consisted of a series of four separate desk-based exercises. The exercises focused on health and social care, excess deaths, business continuity and overall coordination nationally. Seventeen recommendations for further action were identified. A review exercise was conducted in November 2016.
- **Exercise Cygnus** was held in October 2016.⁴⁸ It was a three-day, UK-wide simulation of a severe pandemic and involved the Scottish Government. The exercise identified 22 ways in which the 2011 UK Influenza Pandemic Preparedness Strategy could be improved.

- **Exercise Iris** was delivered by the Scottish Government in March 2018.⁴⁹ It involved territorial NHS boards, NHS 24, Health Protection Scotland and the Scottish Ambulance Service. It assessed the readiness of the NHS in Scotland to respond to suspected outbreaks of a Middle East respiratory syndrome coronavirus (MERS-CoV). Thirteen actions were identified.

44. Each of these exercises highlighted a number of areas that required improvement. They defined specific actions to be implemented, with some common themes, including the need to:

- clarify roles and responsibilities in the event of a pandemic
- increase the capacity and capability of social care to cope during an outbreak
- ensure the availability and correct use of PPE, including through fit testing and procurement processes.

Progress in addressing recommendations from pandemic preparedness exercises has been slow

45. Progress in implementing the actions identified during these pandemic planning exercises has been slow. The Scottish Government set up the Flu Short Life Working Group (FSLWG) in early 2017. In November 2017, the group set out priority actions following the recommendations from the Silver Swan and Cygnus exercises. While the exercises conducted were not in preparation for the specific type of pandemic that arose, some of the areas that were identified for improvement became areas of significant challenge during the Covid-19 pandemic. For instance:

- Concerns about the capacity and capability of social care to cope during a pandemic. Flu pandemic guidance published in 2012, designed for health and social care in England, was issued to health and social care in Scotland.⁵⁰ One of the priorities of the FSLWG was to develop a Scottish version of this guidance for consultation by March 2018. This guidance was drafted and issued for consultation between July and September 2019. The draft guidance was not updated following consultation and has not been published. The Scottish Government is now reviewing this guidance to incorporate lessons learned from the Covid-19 pandemic.
- Access to, and training in, the use of PPE were identified as areas requiring improvement. The FSLWG identified a priority action in relation to clarifying access to the PPE stockpile. This was required to be completed by March 2018. The Scottish Government planned to include this in the flu pandemic guidance that was being developed for health and social care. The FSLWG also identified raising awareness of the type of PPE required and fit testing for staff as priorities. In March 2018, however, findings from Exercise Iris again highlighted the need for substantive progress in the area of PPE availability and use across Scotland.

46. As a priority, the Scottish Government should update and publish national pandemic guidance for health and social care. The scope of this guidance should not be limited to covering only an influenza pandemic. It should include lessons learned from the Covid-19 pandemic and the previous pandemic exercises.

NHS remobilisation



Remobilising health services is challenging, and maintaining innovation and learning from the pandemic will be essential

The pandemic led to a substantial backlog of patients waiting to be seen, with NHS boards prioritising those in most urgent need

47. As highlighted in our previous NHS in Scotland reports, NHS boards have found meeting national waiting times targets very challenging ([Exhibit 8, page 33](#)).⁵¹ The Scottish Government acknowledged that Covid-19 has severely affected NHS boards' ability to meet these targets and that a new approach was needed to manage the substantial backlog of patients ([Exhibit 5, page 23](#)). The Waiting Times Improvement Plan (WTIP), announced in October 2018, was paused at the beginning of the Covid-19 outbreak. The Scottish Government had planned to invest more than £850 million to sustainably improve waiting times by spring 2021, but the WTIP will now not restart. The Scottish Government published a new framework outlining the approach that should be taken during the Covid-19 pandemic.⁵² This new approach is based on clinical prioritisation, which means that patients most in need will be seen first and those of lower clinical priority will have to wait longer. Patients are categorised in priority levels as follows:

- Level 1a emergency - operation needed within 24 hours
- Level 1b urgent - operation needed within 72 hours
- Level 2 surgery - scheduled within four weeks
- Level 3 surgery - scheduled within 12 weeks
- Level 4 surgery - may be safely scheduled after 12 weeks.

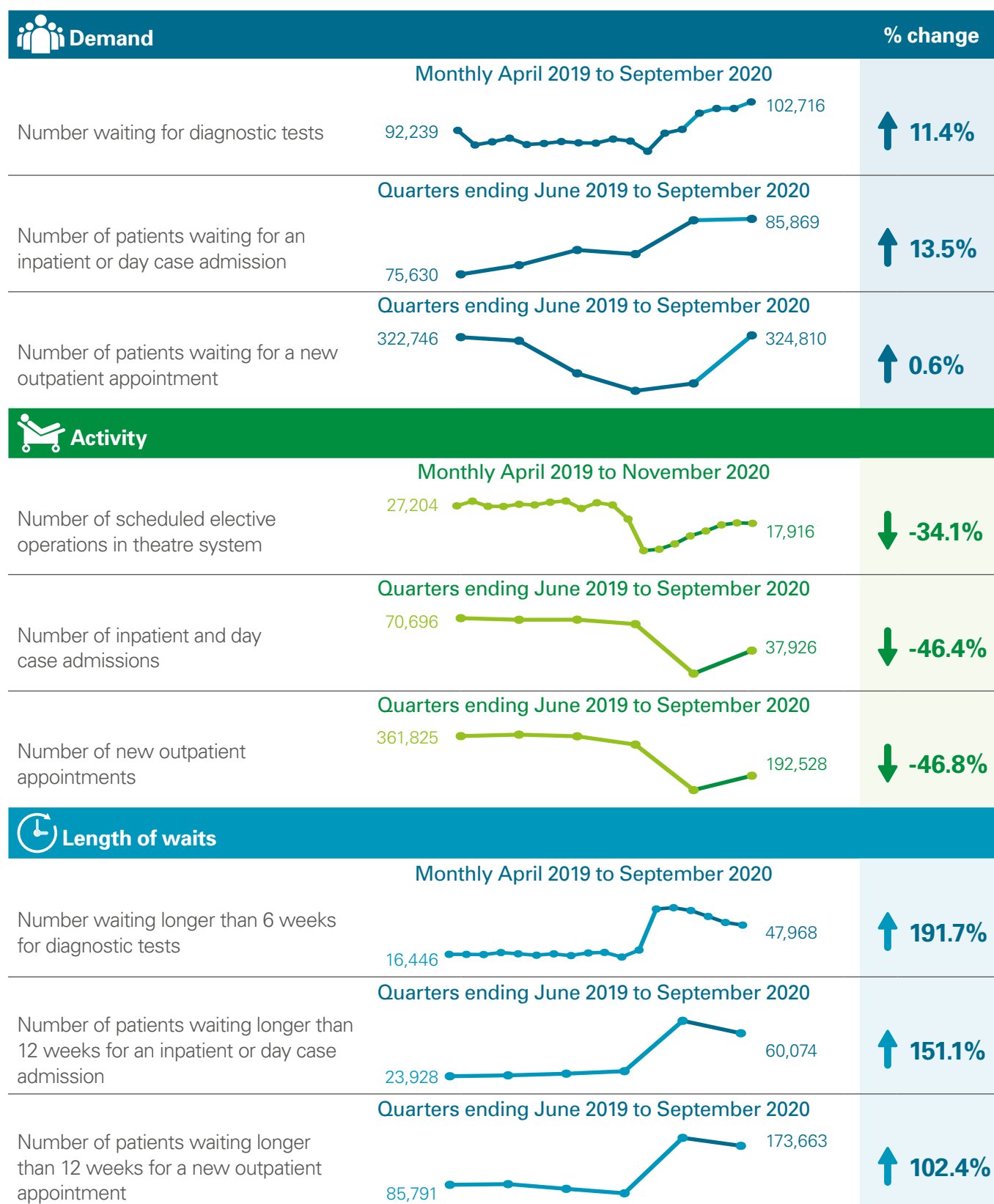
48. These timescales are ambitious, considering that NHS boards already found it challenging to meet waiting times targets ([Exhibit 8, page 33](#)). NHS boards are under more pressure during the Covid-19 pandemic, along with having a significant backlog of patients waiting to be seen ([Exhibit 5, page 23](#)). Data on waiting times for each category should be published, to enable transparency about how NHS boards are managing their waiting lists.

49. The framework is clear that patients waiting a long time – determined by their priority level – should be offered a review consultation to ensure their clinical priority categorisation is up to date. Clinical risks associated with patients waiting longer for treatment need to be assessed and mitigated. The Scottish Government and NHS boards should monitor the longer-term impact on health outcomes.

Exhibit 5

National trends in demand and activity for acute services

Services being paused during the first wave of the pandemic led to increasing numbers waiting longer for tests and treatment.



Source: Audit Scotland using Public Health Scotland data

Managing cases of Covid-19 has taken priority over resuming the full range of NHS services

50. Over summer 2020, NHS boards began resuming some services that had been paused during the first wave of Covid-19. Services providing the most urgent care were prioritised. There are a number of challenges related to resuming the full range of health services and bringing capacity back to pre-Covid-19 levels. The need to physically distance means that operating theatres, clinics and waiting rooms cannot be used to their full capacity. More time is needed between appointments and procedures for replacing PPE and cleaning. Managing ongoing cases of Covid-19 is also very resource intensive. This has taken priority over resuming non-urgent health services.

51. In October 2020, the Scottish Government published its Winter Preparedness Plan for the NHS in Scotland. It plans to maximise the use of NHS Golden Jubilee, NHS Louisa Jordan and the private sector to help maintain access to some services over the winter. Since July 2020, NHS Louisa Jordan has been used to help reduce the backlog of people waiting for diagnostic services and outpatient appointments. By January 2021, approximately 18,000 outpatients from four NHS boards had attended NHS Louisa Jordan. The elective centres currently being built will help deal with some of the backlog of patients and the longer-term strategy for planned care.⁵³

52. The paused national screening programmes also started to resume in stages over the summer of 2020, and have now resumed routine screening. NHS boards are working to catch up on delayed appointments.

The Scottish Government is committed to rebuilding the NHS differently

53. The Scottish Government published its Re-mobilise, Recover, Re-design Framework in May 2020. This sets out the priorities for resuming services while maintaining capacity for Covid-19 patients. The framework is clear about rebuilding the NHS differently, which will be essential for it to be sustainable. Some of the key ambitions described in the framework include:

- developing new priorities for the NHS based on engagement with staff and the public
- achieving greater integration, recognising the interdependencies between health and social care services
- providing more care closer to home, minimising unnecessary travel
- reducing inequality and improving health and wellbeing outcomes.

54. Achieving these ambitions will require a considerable amount of work and resources, at both Scottish Government and NHS board levels. The Scottish Government is working with external consultants to look at the nature of the work and structures required to support the delivery of the ambitions in the remobilisation framework. NHS boards have developed remobilisation plans that align with these ambitions and include details of how they plan to resume healthcare services. These plans also describe how positive changes introduced during the pandemic will be maintained. Some of this innovation that would normally have taken years to develop and implement, happened within weeks. For instance, the roll out of digital improvements such as Near Me and establishing community hubs and assessment centres.

Maintaining new ways of working and learning from the pandemic will be an essential part of rebuilding the NHS

55. Maintaining new ways of working and learning from the pandemic will be essential. As part of this, it will be important to evaluate how effective and appropriate these changes have been and establish which of these should be maintained in the longer term. The Scottish Government is developing a Re-mobilise, Recover, Re-design programme of work, which focuses on recovery and renewal across health and social care. The detailed scope and objectives of this are under development. However, work on this has been paused until there is more capacity for further discussions on strategic priorities.

56. The Scottish Government should ensure that the work undertaken as part of this programme has clear priorities that align with the remobilisation framework. This should include achievable and realistic objectives and timescales for completion. Progress should be monitored and reported to ensure sufficient progress is being made. In addition, the Scottish Government:

- committed to review and develop the role of the Covid-19 community assessment hubs and virtual appointments, with the aim of providing more care closer to home ⁵⁴
- developed a recovery plan to redesign cancer services, to ensure that all patients have timely access to diagnostic services and the best possible treatments. ⁵⁵

The shape of the health and social care workforce will need to change

57. In December 2019, the Scottish Government published a national health and social care integrated workforce plan. ⁵⁶ This contains plans and assumptions about the shape of the health and social care workforce in the future, aligned with the medium-term financial framework. Ways of working and roles in the NHS and social care will need to be different after the Covid-19 pandemic. When the immediate pressures on NHS workforce planning during the Covid-19 pandemic subside, the Scottish Government should work with its partners to update the integrated workforce plan. This should consider how services will be delivered differently in the future, and how this will affect the shape of the health and social care workforce in the longer term.

There continues to be a lack of stable senior leadership, with high turnover and short-term tenure

58. We have previously reported on the lack of stable senior leadership in the NHS and that tenure should ideally be at least five years. This gives organisations the stability they need for effective strategic planning and reform, and development of effective working relationships. ⁵⁷ High turnover and short-term tenure has continued. Since April 2019, there have been 32 new senior appointments of Board Chairs, Chief Executives and Directors of Finance across 21 NHS boards in Scotland (excluding the newly established Public Health Scotland). These included ten Board Chairs, 14 Chief Executives and eight Directors of Finance. Two NHS boards, NHS Grampian and NHS Highland, had more than one change in Chief Executive in that period.

59. There are also a number of newly filled posts in place at the Scottish Government senior leadership team. These include the Chief Executive of NHS Scotland and Director-General of the Health and Social Care Directorates, the Chief Medical Officer and the Chief Nursing Officer.

60. The NHS requires stable and collaborative leadership, working in partnership across public services to balance the ongoing challenges caused by Covid-19 and to remobilise health and social care. The Scottish Government must ensure that all NHS leaders, particularly those who are newly appointed, have the support they need.

NHS finances and performance



Covid-19 has exacerbated existing financial and operational challenges

Responding to Covid-19 has resulted in significant additional expenditure across health and social care, and there is uncertainty about the longer-term financial position

61. Responding to Covid-19 has resulted in significant additional costs. NHS boards and HSCPs submitted monthly integrated financial returns to the Scottish Government, which included predicted costs for 2020/21 and actual costs where available. These submissions were scrutinised through peer review by NHS directors of finance and the Scottish Government.

62. At December 2020, NHS boards and HSCPs predicted an additional £1.67 billion in costs associated with Covid-19 for 2020/21. This consisted of £1.56 billion in revenue costs and £112.2 million in capital costs. Predicted revenue costs are made up of £1.13 billion for NHS boards and £0.43 billion for HSCPs. The highest predicted revenue costs for NHS boards relate to:

- PPE, at £324.5 million
- testing for Covid-19, at £89.7 million
- additional hospital bed capacity, at £70.1 million.

63. Covid-19-related costs to the NHS for 2020/21 will be covered by funds allocated to Scotland from the UK Government through Barnett consequentials.⁵⁸ At September 2020, the Scottish Government confirmed that £2.5 billion received in consequentials will be passed on for health and social care. There is uncertainty in the longer term about costs associated with Covid-19 and the funding that will be available from the UK government.

64. The Scottish Government needed to revise NHS boards' budgets for 2020/21 to take into account the additional costs as a result of the pandemic. It agreed the approach to doing this with the NHS directors of finance. The Scottish Government reviewed the actual costs submitted for the first three months of the 2020/21 financial year and confirmed an additional £1.1 billion in allocations in September 2020 for NHS boards and IAs. In February 2021, it announced a further £491 million in allocations. The Scottish Government recognised that the pandemic has significantly affected NHS boards' ability to deliver their financial recovery plans, and confirmed that NHS boards and IAs would be fully funded to deliver a financial balance for 2020/21. It will review this in 2021/22, to consider any ongoing impact of the pandemic.

65. The usual financial planning arrangements were paused for 2020/21. This means that, for 2020/21, NHS boards do not have three-year plans approved by the Scottish Government in place. It is not yet clear:

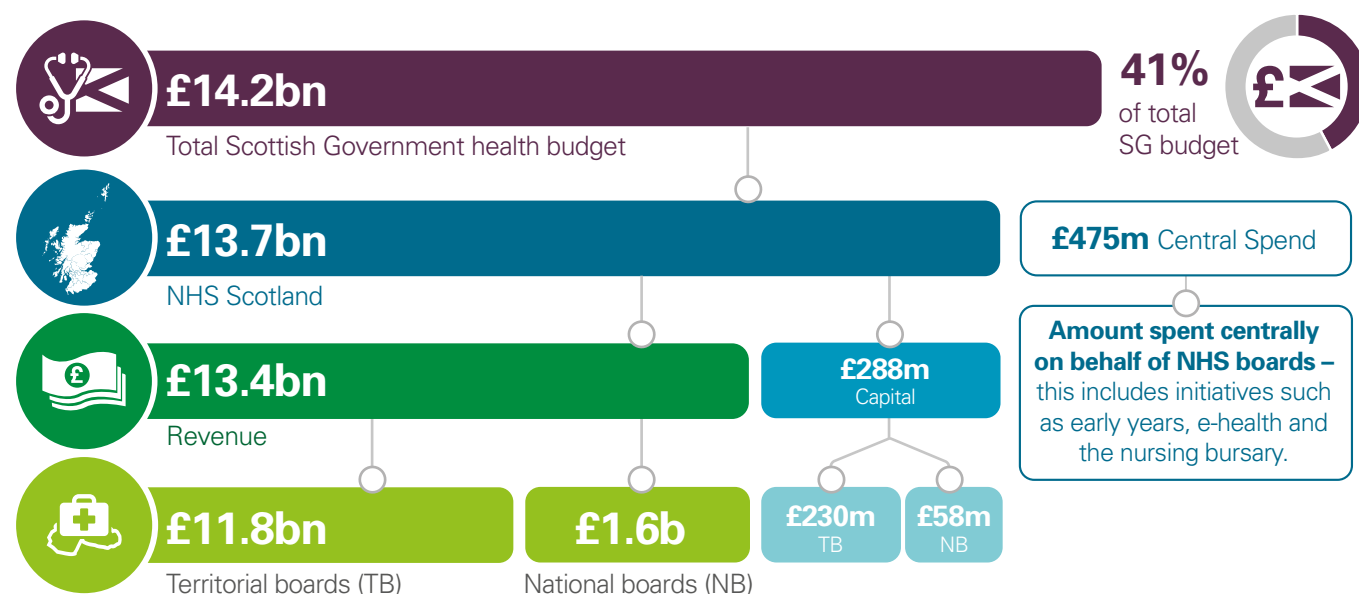
- what long-term impact Covid-19 will have on the financial position of the NHS
- how the pandemic will develop over time and what level of spending will be required to respond
- what additional funding will be made available through Barnett consequentialia beyond 2020/21.⁵⁹

66. The Scottish Government's health and social care medium-term financial framework (MTFF) identified the need to save £1.7 billion between 2016/17 and 2023/24. Covid-19 has had an impact on the ability of the health and social care sector to meet the trajectory set out in the MTFF. The Scottish Government has committed to reviewing the MTFF in 2021/22 to consider the impact of the Covid-19 pandemic.

Exhibit 6

A breakdown of NHS funding for 2019/20, key areas of spend and state of the estate update

NHS funding increased by 5.2 per cent in 2019/20. More than half of the NHS budget was spent on workforce. The level of backlog maintenance in 2019 was £1.03 billion.



KEY AREAS OF SPEND

£7.6bn

Staffing costs

(2018/19 - £6.9bn)
+9.4%

£2.4bn

Drugs and medical supplies

(2018/19 - £2.3bn)
+4.4%

£2.1bn

Other operating expenses

(2018/19 - £1.9bn)
+13.4%

NHS ESTATE

↑ 73%

between 2017 and 2019, the proportion of the estate in good condition increased from 72% to 73%

↑ £1.03bn

backlog maintenance across the NHS in Scotland increased from £899 million to £1.03 billion

↓ 7%

high-risk backlog maintenance decreased from 10% to 7%

↑ 71%

estate assessed as suitable for purpose increased from 70% to 71%

Financial and operational performance for 2019/20

Some NHS boards were unable to break even without additional financial support from the Scottish Government

67. In 2019/20, four NHS boards required additional financial support from the Scottish Government to break even, totalling £41 million. This was less than the £65.7 million needed in 2018/19 by the same four NHS boards. These NHS boards will be expected to repay this funding in the future once they achieve a break-even position after the pandemic. The four NHS boards that required additional financial support in 2019/20 were (2018/19 figure in brackets):

- NHS Ayrshire and Arran - £14.7 million (£20 million).
- NHS Borders - £8.3 million (£10.1 million).
- NHS Highland - £11 million (£18 million).
- NHS Tayside - £7 million (£17.6 million).

68. Before the Scottish Government announced that NHS boards would be fully funded for 2020/21, three of the four NHS boards also predicted that they would have needed £30.2 million in additional financial support during the 2020/21 financial year. This would have been a further improvement. NHS Tayside forecasted that it would break even. The following case studies outline the challenges facing three of the NHS boards that were unable to break even in 2019/20 without this support. We published a report outlining the challenges in [NHS Tayside](#)  in December 2020.⁶⁰

Case study 1

NHS Ayrshire and Arran still requires significant transformational change, particularly in acute services



In 2019/20, NHS Ayrshire and Arran needed £14.7 million in additional financial support, known as brokerage, from the Scottish Government to break even. This was in line with what the board predicted at the start of the financial year. The board's 2019/20 budget included a savings target of £23.2 million and it achieved £16.8 million. The shortfall is largely attributable to unachieved savings of £8.4 million in acute services, which were partly offset by additional savings in other areas.

NHS Ayrshire and Arran continues to face an extremely challenging financial position in the medium to longer term. The board projected that it would have needed £13.5 million in brokerage for 2020/21. It did not expect to achieve financial balance until 2022/23, a year later than was projected in 2019/20. Achieving financial balance in 2020/21 would have required a number of challenges to be overcome, such as the delivery of £8.5 million of savings in acute services and medicine cost pressures of £8.5 million.

The board has continued with its Transformational Change Improvement Programme, but significant transformational change is still required. The board should prioritise developing detailed improvement programmes incorporating medium to longer-term initiatives, clear action plans, milestones, and the capacity and resources needed. The additional pressures and challenges associated with responding to Covid-19 should be considered and included in these plans. During 2019/20, the board started its Caring for Ayrshire programme, a ten-year vision for the whole-system redesign of health and social care services. This programme is a positive step towards financial sustainability but is still in the early stages of development.

Source: NHS Ayrshire and Arran 2019/20 Annual Audit Report

Case study 2



NHS Borders needs to restart its Financial Turnaround programme

In 2019/20, NHS Borders required £8.3 million in brokerage from the Scottish Government to break even. The board needed to make efficiency savings of £21.7 million in 2019/20. The board achieved £10 million in savings, of which £7.1 million was recurring. While the total savings achieved were less than the £15.2 million in 2018/19, the board managed to increase its recurring savings by around £0.4 million.

NHS Borders continues to face a challenging financial position, with particular cost pressures in acute services and delegated IJB services. The board reported that a £13.1 million deficit would be carried forward in to 2020/21 because of unachieved savings and continued financial pressures, and forecasted that it would have continued to need brokerage over the next two years.

In 2018/19, NHS Borders created its Financial Turnaround programme. This made some progress with increasing the level of recurring savings achieved but this progress is unlikely to be sustained. Covid-19 is expected to have a significant impact on 2020/21 and beyond. NHS Borders reported that no savings were made in the first five months of 2020/21 and had forecast achieving £1.6 million in recurring savings in 2020/21, from a target of £9 million. The board must re-start the Financial Turnaround programme and assess the financial impact of Covid-19.

Source: NHS Borders 2019/20 Annual Audit Report

Case study 3



NHS Highland would benefit greatly from stability in its leadership team

In November 2019, the Auditor General reported that NHS Highland needed a clear plan to redesign services to achieve a sustainable model of care.⁶³ It also needed stable senior leadership, to strengthen its governance arrangements and to respond to the recommendations of the Sturrock Report on cultural issues related to allegations of bullying and harassment.

In 2019/20, NHS Highland needed £11 million in brokerage from the Scottish Government to break even. This was £0.4 million less than predicted at the start of the year. The board achieved its target of £28 million in savings. NHS Highland still faces financial challenges, and forecasted that it would have needed £8.8 million in brokerage to break even in 2020/21. It continues to rely on agency and locum staff and increasing spending in the last three years has led to a consistent overspend on medical pay. The board needs to address this to achieve long-term financial sustainability.

NHS Highland made substantial progress in establishing the Programme Management Office (PMO) and Financial Recovery Board during 2019/20. The PMO has played an essential role in helping deliver the board's Financial Recovery Programme. The board is committed to implementing the recommendations in the Sturrock Report. It has developed a plan, Culture Fit for the Future, and included this as one of its three strategic priorities. Progress has been made, but this is a long-term programme and considerable work has still to take place.

There were several departures from the senior leadership team during 2019/20 and a number of new appointments to senior management positions. Changes to the senior management team will continue for at least the short term. NHS Highland would benefit greatly from stability in its leadership as the board develops a financially sustainable operating model and balances the ongoing demands of Covid-19.

Source: NHS Highland 2019/20 Annual Audit Report

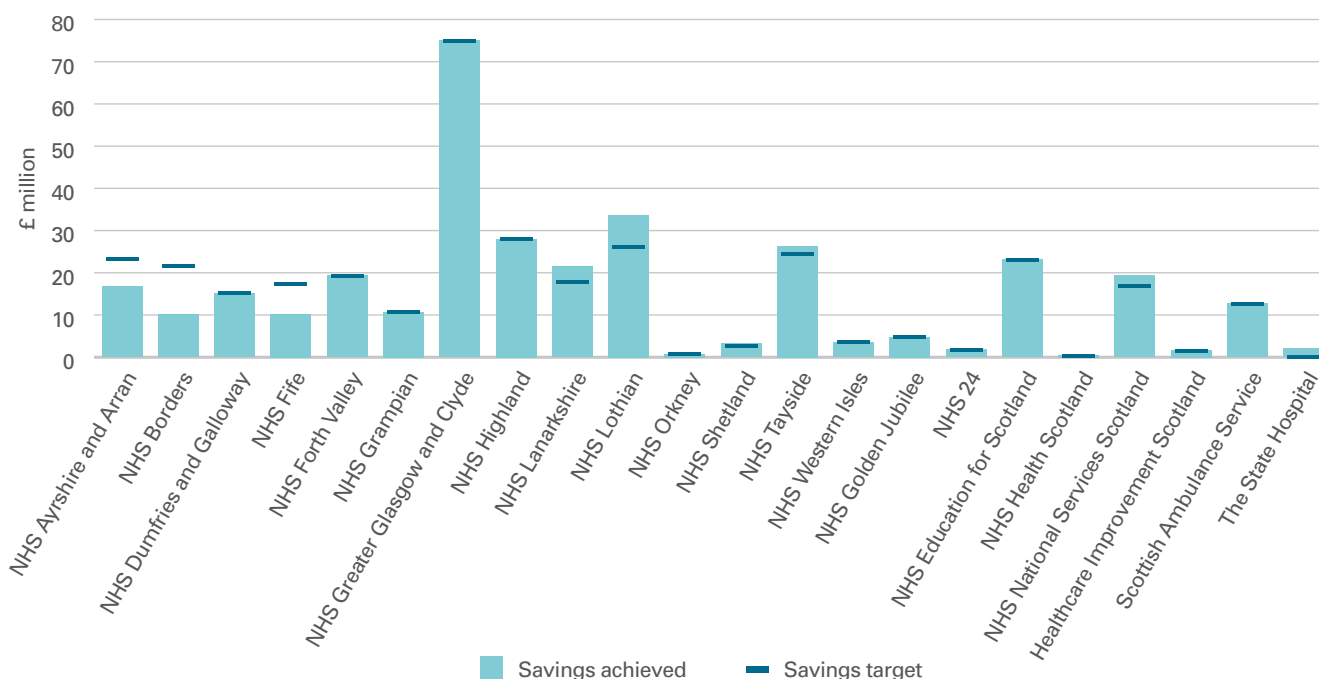
⁶⁹. Most NHS boards achieved their savings targets in 2019/20 ([Exhibit 7, page 32](#)). Three NHS boards did not achieve their savings target in 2019/20. These were NHS Ayrshire and Arran ([Case study 1, page 30](#)), NHS Borders

(Case study 2, page 31) and NHS Fife. Most of the shortfall in NHS Fife is attributable to unachieved savings in acute services.

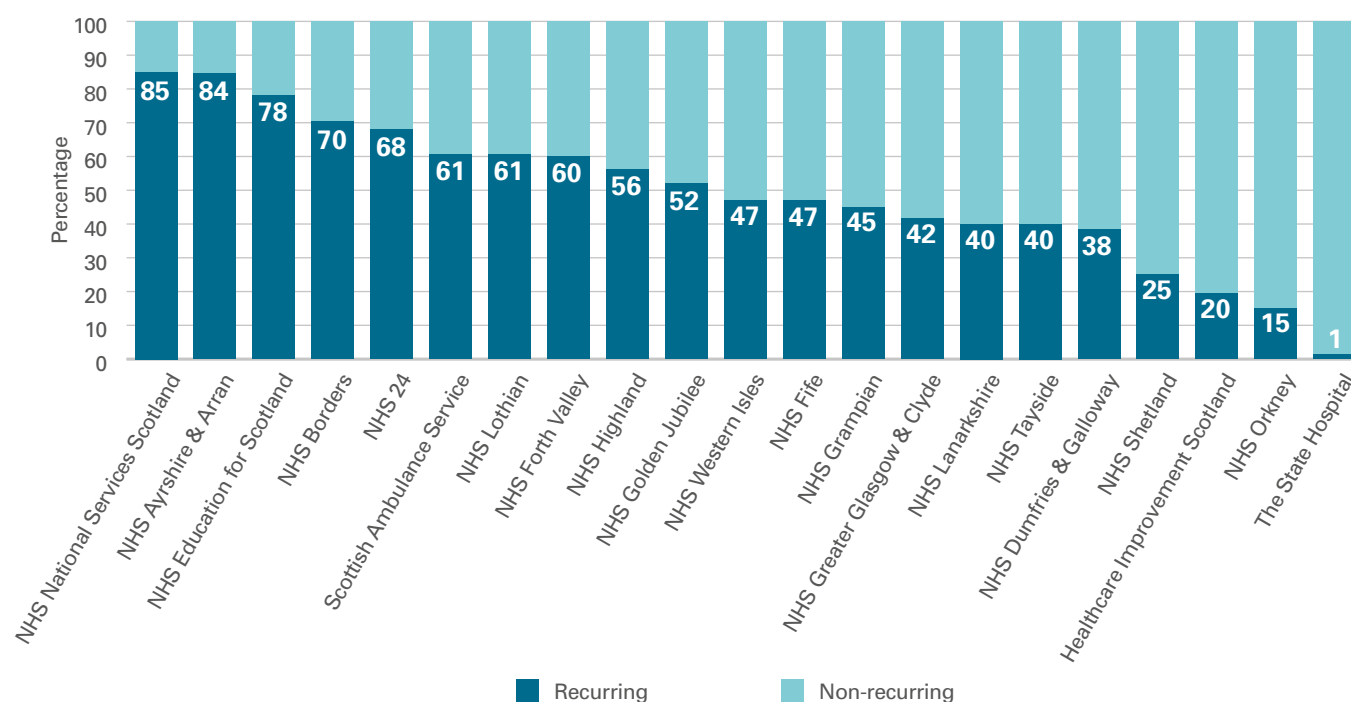
Exhibit 7

Savings achieved 2019/20

Most NHS boards achieved their savings targets in 2019/20.



NHS boards varied significantly in their reliance on non-recurring savings



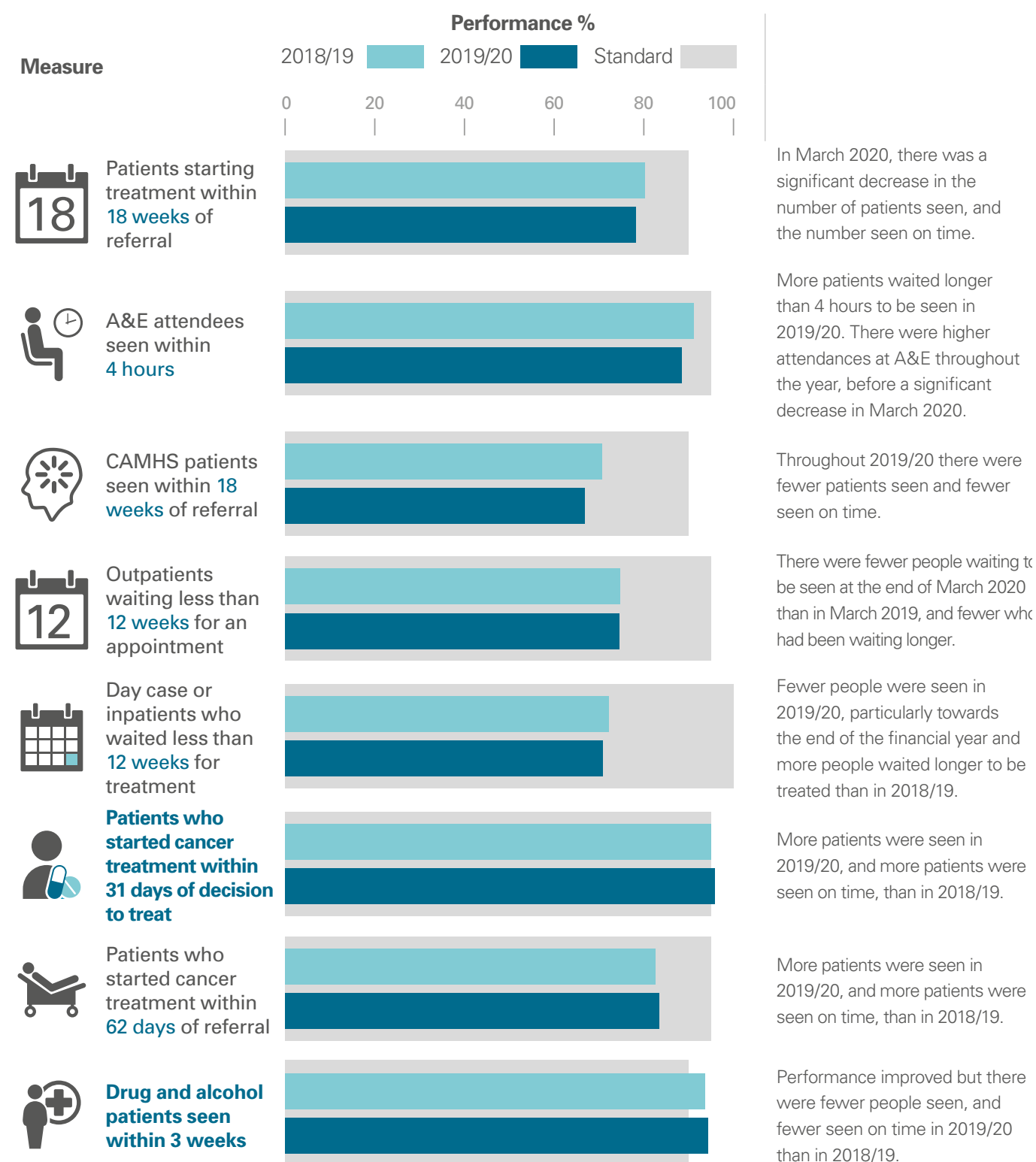
Note: NHS Health Scotland ceased to exist on 31 March 2020. It has been excluded from the graph showing proportion of recurring and non-recurring savings as there was no breakdown available for 2019/20.

Source: Annual Audit Reports 2019/20 and auditor returns to Audit Scotland

Exhibit 8

NHS performance against eight key waiting times standards, 2018/19 and 2019/20

NHS in Scotland met two waiting times standards in 2019/20. Performance improved for three waiting times standards and worsened for five.



Note: Performance towards the end of 2019/20 was affected by the Covid-19 pandemic. On 17 March 2020, NHS Scotland was placed in emergency measures and NHS boards were asked to suspend non-urgent treatment.

Source: Audit Scotland using Public Health Scotland data

Work needs to continue to reduce hospital associated infections

70. Efforts continue to try and reduce healthcare associated infections (HAI). Some serious infections caused by Gram-negative bacteria are resistant to most available antibiotics and are a major threat to public health and patient safety.

71. Escherichia coli (E. coli) is the most common cause of Gram-negative bloodstream infections, and numbers are increasing.⁶¹ The healthcare associated incidence rate of E. coli blood stream infection increased by 11.7 per cent between 2017 and 2019. As part of national efforts to tackle anti-microbial resistance, the UK government has published a 2019-2024 action plan for the four nations of the UK. This sets a target of reducing healthcare associated gram-negative bloodstream infections by 25 per cent in 2021/22 and by 50 per cent in 2023/24.

72. Positive progress has been made in reducing the incidence rates of healthcare associated Clostridium difficile. Between 2015 and 2019, there was a decrease from 18.7 to 13.3 per 100,000 bed days in patients aged 15 years and older. The incidence of Staphylococcus aureus bacteraemia remained stable.⁶²

Investigations continue into infection control risks in major capital projects

73. During 2018/19, an unusual cluster of cases of a specific type of infection at the Royal Hospital for Children and the Queen Elizabeth University Hospital (QEUH) in NHS Greater Glasgow and Clyde prompted a series of investigations. The Scottish Government commissioned an independent review to determine whether the design, build, commissioning and maintenance of the QEUH had increased the risk of HAI. The report was published in June 2020.





74. The Scottish Government also commissioned a public inquiry into the construction of the QEUH and the newly built Royal Hospital for Children and Young People (RHCYP) in Edinburgh because of similar issues. This began in August 2020.

75. More broadly, the Scottish Government is planning to set up a National Centre for Reducing Risk in the Healthcare Built Environment. This intends to focus knowledge and expertise to ensure that lessons are learned and provide greater confidence in the delivery of future capital projects. In addition, an Oversight Board, led by Scotland's Chief Nursing Officer, will report on infection prevention and control practices at the QEUH.

Endnotes



- 1 Resilience partnerships in Scotland support local and regional emergency preparedness and link with national resilience structures. Members include NHS boards, police, fire, ambulance and councils.
- 2 Coronavirus: action plan, *A guide to what you can expect across the UK*, UK Government, March 2020.
- 3 UK Influenza Pandemic Preparedness Strategy, UK Department of Health, November 2011.
- 4 Integration Authorities (IAs) are partnerships between NHS boards and councils in Scotland. They are responsible for the planning, resourcing and operational oversight of a wide range of health and social care services delivered by Health and Social Care Partnerships (HSCPs).
- 5 Scottish Intensive Care Society Audit Group report on Covid-19, Public Health Scotland. July 2020.
- 6 Near Me is a video consulting service that allows people to attend healthcare appointments remotely.
- 7 NHS Louisa Jordan continues to support NHS Scotland, <https://nhslouisajordan-newsroom.prgloo.com/news/nhs-louisa-jordan-continues-to-support-nhsscotland>, January 2021.
- 8 Weekly Covid-19 statistical report, Public Health Scotland, January 2021.
- 9 Public Health Scotland Tableau Covid-19 dashboard https://public.tableau.com/profile/phs.covid.19#!/vizhome/COVID-19DailyDashboard_15960160643010/Overview.
- 10 Winter Preparedness Plan for NHS Scotland - 2020/21, Scottish Government, October 2020.
- 11 Covid-19 Strategy Update, World Health Organization, April 2020.
- 12 Thirty-second SAGE meeting on Covid-19, on UK Government website, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/888807/S0402_Thirty-second_SAGE_meeting_on_Covid-19_.pdf.
- 13 To calculate these figures we have used the sum of cases created and closed within 72 hours in the contact tracing, contact management system and compared these numbers to the total complete cases for that week as published by Public Health Scotland <https://beta.isdscotland.org/find-publications-and-data/population-health/covid-19/covid-19-statistical-report/>.
- 14 PPE is equipment that will protect the user against health or safety risks such as splash or droplet exposure. It can include items such as gloves, masks, gowns and eye protection.
- 15 National Distribution Centre (part of National Procurement in NHS NSS) buys and supplies goods for Scotland's hospitals and healthcare facilities. It manages over £1.4 billion in national contracts.
- 16 BMA Scotland Covid-19 Tracker Survey Results, BMA Scotland, May 2020.
- 17 RCN publishes results of member survey about PPE, RCN website, <https://www.rcn.org.uk/news-and-events/news/ppe-survey-results-18-april-2020>.
- 18 Coronavirus (Covid-19): PPE distribution statistics, Scottish Government website, <https://www.gov.scot/publications/coronavirus-covid-19-ppe-distribution-statistics/>.
- 19 Coronavirus (COVID-19): Personal Protective Equipment - Action Plan, Scottish Government, October 2020.
- 20 Personal Protective Equipment (PPE) for Covid-19 - Scotland's Action Plan, Scottish Government, October 2020.
- 21 *NHS in Scotland 2018 and NHS in Scotland 2019*, Audit Scotland, October 2018 and October 2019.
- 22 BMA Scotland Covid-19 Tracker Survey Results, BMA Scotland, May 2020.
- 23 Building a Better Future for Nursing, RCN Members have their say, Royal College of Nursing, August 2020.
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- 25 More mental health support for health and social care staff, Scottish Government, <https://www.gov.scot/news/more-mental-health-support-for-health-and-social-care-staff/>.

- 26 Deaths involving coronavirus (Covid-19) in Scotland, Week 5, National Records of Scotland, February 2021.
- 27 Public attitudes to Coronavirus, May summary, Scottish Government, June 2020.
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- 31 Discharges from NHS Scotland Hospitals to Care Homes between 1 March and 31 May 2020, Public Health Scotland, October 2020.
- 32 The Care Inspectorate's role, purpose and learning during the Covid-19 pandemic, Care Inspectorate, August 2020.
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- 34 Submission to the Scottish Parliament Covid-19 Committee from the Centre for Mental Health and Capacity Law, Edinburgh Napier University September 2020.
- 35 Covid-19 social care monitoring report, Scottish Human Rights Commission, October 2020.
- 36 Deaths involving coronavirus (Covid-19) in Scotland, National Records of Scotland, December 2020.
- 37 Covid-19 Statistical Report, Public Health Scotland, 2 December 2020.
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Appendix 1

Audit methodology



This is our annual report on the NHS in Scotland. Given the unprecedented challenges of the Covid-19 pandemic in 2020, the report focuses on:

- how well the NHS and Scottish Government responded to the Covid-19 pandemic
- the health impact of the Covid-19 pandemic on the population of Scotland
- how prepared the Scottish Government and NHS were for a pandemic
- how well the NHS and Scottish Government are working to resume the full range of NHS services
- the financial impact of the Covid-19 pandemic on the NHS in Scotland
- a brief overview of how well the NHS managed its finances and operational performance in 2019/20.

Because of the Covid-19 pandemic, this audit was carried out remotely. Our findings are based on evidence from sources that include:

- strategies, frameworks and plans for responding to Covid-19
- the audited annual accounts and auditors' reports on the 2019/20 audits of NHS boards
- activity and performance data published by Public Health Scotland
- publicly available data and information including results from staff surveys
- Audit Scotland's national performance audits
- interviews with senior officials in the Scottish Government and a sample of NHS boards.

We reviewed service performance information at a national level. Our aim was to present the national picture. We focused on a sample of key targets and standards, covering some of the main activities of the NHS. Where we have used trend information, we have selected a time period where information is most comparable.

Appendix 2

Financial performance 2019/20 by NHS board



NHS board	Escalation framework level	Core revenue outturn (£m)	Total savings achieved (£m)	Recurring savings (%)	NRAC: distance from parity (%)
NHS Ayrshire and Arran	3	841.7	16.8	85	-0.8
NHS Borders	4	247.0	10.1	70	0.7
NHS Dumfries and Galloway		353.4	15.1	38	2.8
NHS Fife		752.3	10.2	47	-0.8
NHS Forth Valley		605.2	19.3	60	-0.8
NHS Grampian		1,099.8	10.7	45	-0.8
NHS Greater Glasgow and Clyde	4	2,543.3	75.0	42	1.9
NHS Highland	4	751.4	28.0	56	-0.8
NHS Lanarkshire		1,345.6	21.5	40	-0.8
NHS Lothian	3/4	1,684.3	33.7	61	-0.8
NHS Orkney		64.2	0.8	15	-0.3
NHS Shetland		63.0	3.3	25	-0.2
NHS Tayside	4	883.0	26.3	40	-0.8
NHS Western Isles		89.0	3.5	47	13.1
NHS Golden Jubilee		84.7	4.8	52	
NHS 24		70.4	1.8	68	
NHS Education for Scotland		500.3	23.1	78	
NHS Health Scotland		21.1	0.5	-	
NHS National Services Scotland		502.4	19.3	85	
Healthcare Improvement Scotland		32.1	1.7	20	
Scottish Ambulance Service		281.3	12.7	61	
The State Hospital		34.7	2.1	1	

Notes:

1. There are five stages of the Scottish Government's performance escalation framework for NHS boards:

Stage 1 Steady state "on-plan" and normal reporting

Stage 2 Some variation from plan; possible delivery risk if no action

Stage 3 Significant variation from plan; risks materialising; tailored support required

Stage 4 Significant risks to delivery, quality, financial performance or safety; senior level external support required.

Stage 5 Organisational structure / configuration unable to deliver effective care.

2. NHS Lothian is at Stage 4 for specific issues relating to the Royal Hospital for Children and Young People, and at Stage 3 for specific issues relating to performance.
3. The Scottish Government uses the NHS Scotland Resource Allocation Committee (NRAC) formula to assess how much funding each board should be allocated. The formula considers the demographics of each board area including population size, deprivation levels, unavoidable geographical variations in the cost of providing services.

Source: Scottish Government

NHS in Scotland 2020

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Date	17 June 2021
Agenda Item	13



Report to West Lothian Integration Joint Board Audit, Risk and Governance Committee

Report Title: Local Government in Scotland Overview 2021

Report By: Chief Finance Officer

Summary of Report and Implications	
Purpose	This report: (tick any that apply).
	- seeks a decision <input type="checkbox"/>
	- is to provide assurance <input type="checkbox"/>
	- is for information <input checked="" type="checkbox"/>
	- is for discussion <input type="checkbox"/>
	The purpose of this report is to update the Committee on the Local Government in Scotland Overview 2021 report published by the Accounts Commission. The Committee is asked to consider the key messages contained in the report.
Recommendations	It is recommended that the Committee notes and considers the key messages contained in the 2021 report
Directions to NHS Lothian and/or West Lothian Council	A direction(s) is not required.
Resource/ Finance/ Staffing	None.
Policy/Legal	None.
Risk	None.
Equality, Health Inequalities, Environmental and Sustainability Issues	The report has been assessed as having little or no relevance with regard to equality or the Public Sector Equality Duty. As a result, an equality impact assessment has not been conducted.

Strategic Planning and Commissioning	The report highlights the importance of local and national strategic planning to meet integration objectives.
Locality Planning	None.
Engagement	Relevant officers in NHS Lothian and West Lothian Council.

Terms of Report	
1.	Background
1.1	The Accounts Commission's Local Government in Scotland Overview 2021 report was published on 27 May 2021. The report notes that Councils in Scotland operate in a complex and challenging landscape. The scale of Covid-19 has created an unprecedented set of issues and challenges for councils, their partners, and communities. These include unprecedented economic and social impacts, additional financial pressures and increased service demand, the need for new service delivery models and negative impacts across communities and groups, particularly those who were already vulnerable.
1.2	For several years, councils have been dealing with increasing challenges and uncertainty while continuing to address the needs of local people and national priorities. The report notes that the Covid-19 pandemic has put into clear focus the pivotal role of councils in delivering not only the day-to-day services that communities rely on, but also in responding to risks. It emphasises the essential importance of effective leadership, good governance and good financial management for all councils.
1.3	The Accounts Commission report specifically considers the initial response of councils and is to be the first in a series of reports that will reflect on the evolving and long-term nature of the impact of Covid-19. The report highlights that Covid-19 has exacerbated existing inequalities in areas such as health, work, income, housing and education across Scotland's communities and that reporting on how inequalities are being tackled will be a core priority for the Accounts Commission in their future reporting.
1.4	The Accounts Commission report is attached in Appendix 1 and the key messages contained in the report are set out below.
2.	Key Messages
2.1	The Covid-19 pandemic is having a profound impact on all aspects of society, including the economy, jobs, and the physical and mental health of the public - The negative impacts have been greater for those already experiencing socio-economic disadvantage, and existing inequalities have intensified. Councils have been at the centre of the response to the pandemic, supporting communities through these difficult times. It is noted that councils responded quickly and put their initial focus on maintaining service delivery and protecting communities.
2.2	Relationships with communities have been vital - Councils and communities have worked well together to manage local responses to Covid-19. These included supporting initiatives to promote wellbeing and support people who were shielding and facilitating community support hubs. Existing partnerships that were stronger before the pandemic made a smoother transition into the response phase, as there were fewer barriers.

- 2.3 **Levels of service disruption have varied** - Services such as education, social care and culture and leisure were badly affected, while other core services continued on a reduced basis. Services that could be delivered by people working from home were most resilient. The disruption to services had significant negative impacts on vital areas and on some client groups. These included carers who lacked access to respite care, people with learning disabilities who lacked access to important services and wider support, and school children, who experienced significant disruption to their education.
- 2.4 **Some services were delivered virtually** - For example, education continued where students were able to access learning materials online. Councils worked fast to enable homeworking for staff and to provide innovative IT solutions. It is noted there were challenges for some councils in the early days of the move to homeworking.
- 2.5 **The workforce demonstrated the versatility to take on new roles** - Staff were redeployed from services that were closed or reduced into services facing increased pressure while working at pace under challenging circumstances. There will be an increased need in future for staff to be agile as services continue to evolve in line with the pandemic and the recovery phases. Councils should also consider the pressures on staff to ensure they are not put at risk of burnout as the pandemic continues.
- 2.6 **There were significant changes in council governance structures and processes** - At the onset of the crisis, councils suspended or revised their meeting schedules, and adopted different approaches to decision-making. Virtual meetings were established in growing numbers of councils, and all councils now hold remote meetings. There is now less reliance on delegation to officers or emergency committees than in the early stage of the pandemic, but councils must continue to balance the need for urgent decision-making with transparency.
- 2.7 **Councils continue to face significant financial challenges, and these have been exacerbated by the pandemic** - The Convention of Scottish Local Authorities (COSLA) estimated that the total net financial impact of Covid-19 in 2020/21 would be £767 million. This includes forecast financial pressures of £855 million, with loss of income accounting for around £400 million of this total. The financial pressures have been offset slightly by estimated cost reductions of £88 million from a range of areas
- 2.8 **The Scottish Government has provided substantial additional financial support, but the nature and timing of funding has created further challenges for councils** - Funding announced by the Scottish Government by February 2021 is likely to support councils in covering the net financial impact of the pandemic for 2020/21. This additional funding includes a significant element of one-off grant funding, therefore this may present financial sustainability risks for some councils in future years. Furthermore, funding announcements have been frequent but not regular, and in some cases specific conditions are attached. This has created an additional administrative burden for the Scottish Government and councils arising from awarding and accepting grants and completing the related reporting requirements.
- 2.9 **Councils have started to plan for longer term recovery from the crisis** - While restarting services is led largely by national guidance, and the response to a second wave of Covid-19, councils are beginning to think about how to rebuild local economies and support communities in the long term. Councils will play a pivotal role in this, and as they progress through the recovery phases, there must be recognition that a return to 'business as usual' will not be possible and that the negative impacts of the pandemic will be felt for years to come. We are still learning about the significant long-term challenges, and councils' recovery and renewal plans should address the longer-term implications of the pandemic for local economies, communities and individuals. Recovery plans must also recognise the longstanding issues of inequality that exist and set out actions to address the differential impact of Covid-19 on different groups.

2.10	There has been some ongoing learning resulting from the emergency response to the pandemic - Councils' service delivery arrangements and working practices changed at an unprecedented pace and on a scale that would have been considered impossible in the past. The need to respond quickly with simplified procedures has allowed councils to operate more flexibly and achieve outcomes that would previously have taken much longer. For example, the use of digital technology, to support changes to service delivery and councils' governance arrangements, has accelerated at a greater pace than many councils had planned for or thought achievable. It is important that councils now consolidate and build on the factors that allowed this level of change and innovation to take place so quickly.
2.11	There are no overall recommendations included in the report or specific messages for integration authorities but as a key partner to the IJB responsible for the operational delivery and funding of delegated social care functions the messages contained in the report are important for the committee to be aware of. Many of the key messages highlighted in the report in respect of councils are also relevant to integration authorities and other public sector bodies.
2.12	It is noted that future reporting by the Accounts Commission will give a more detailed analysis of the impact of the pandemic and lessons learned from it. This will include assessment of progress being made in early phases of recovery in 2021/22 before looking ahead to how councils support their local communities to begin recovering.

Appendices	1. Local Government in Scotland Overview 2021
References	1. Local Government in Scotland overview 2021
Contact	Patrick Welsh, Chief Finance Officer, West Lothian Integration Joint Board Email: patrick.welsh@westlothian.gov.uk Tel. No: 01506 281320

Local government in Scotland

Overview 2021



ACCOUNTS COMMISSION 

Prepared by Audit Scotland
May 2021

Who we are

The Accounts Commission

The Accounts Commission is the public spending watchdog for local government. We hold councils in Scotland to account and help them improve. We operate impartially and independently of councils and of the Scottish Government, and we meet and report in public.

We expect councils to achieve the highest standards of governance and financial stewardship, and value for money in how they use their resources and provide their services. Our work includes:

- securing and acting upon the external audit of Scotland's councils and various joint boards and committees
- assessing the performance of councils in relation to Best Value and community planning
- carrying out national performance audits to help councils improve their services
- requiring councils to publish information to help the public assess their performance.

You can find out more about the work of the Accounts Commission on our website:

www.audit-scotland.gov.uk/about-us/accounts-commission

Chair's introduction

In 2020, Covid-19 changed the world and will have a profound impact on our lives in the years ahead. The public services we all receive and many of us depend on each and every day have adapted, in some cases transformed and will certainly continue to change.

Covid-19 has laid bare and exacerbated existing **inequalities** such as health, work, income, housing and education across Scotland's communities. The multiple impacts of these inequalities have affected the most vulnerable, minority groups and women.

Reporting on how inequalities are being tackled is, and will be, a core priority for the Accounts Commission in our future reporting. The recovery from Covid-19 isn't going to be quick, again exacerbating the impact on the lives of those already most affected. The recovery plans and priorities need to recognise this.

Councils must put robust and realistic plans in place and work alongside partner organisations best placed to help. They must work with and for their communities, focusing on the needs of local people.

This will have to be achieved against an increasingly challenging **financial outlook**. There is rarely financial certainty for councils beyond the current financial year. For many years the Commission has reported on the importance of long-term financial planning for our councils and they need the certainty of a multi-year financial settlement to do this. Without this Scotland is faced with a clear risk to the financial sustainability of our councils. During the last few years we have seen increasing amounts of funding provided by the Scottish Government being ring-fenced for specific purposes and this limit on local flexibility

has also emerged through the funding arrangements for Covid-19. Councils have also been impacted by the significant loss of income and additional costs caused by Covid-19 which will have a consequential impact in the coming years. Support for councils will be needed to allow them to take a comprehensive and holistic approach as they look to stimulate economic recovery, address inequalities and build back communities.

Of course, this complex and difficult set of circumstances will, inevitably, mean that councils must make difficult decisions about the services they deliver, and indeed how these services are delivered.

A key issue will therefore be reaching agreement between the Scottish Government and COSLA to achieve a funding model for local government that targets and supports those most in need.

Throughout 2020 and beyond, the ways in which councils and communities have worked together to deliver services and support the most vulnerable has been incredible. Many communities and individuals continue to step in to provide crucial local services, empowered to do so by councils. Those local areas where partnership working was already strong and embedded were able to respond and react more quickly to the developing needs caused by Covid-19. This brought into focus the value and importance of **partnership working** and empowering communities to deliver services that meet very local needs.

Chair's introduction continued

The Accounts Commission will look to ensure that the significant amounts of funding given to councils to deliver and provide support to mitigate the impact of Covid-19 achieved value for money. ***Following the 'pandemic pound'*** will be central to our future work.

Our audit work has already seen so much positive work in councils, not least the swift and vital move to delivering services remotely and digitally. This new way of working needs to be harnessed and consolidated, with ***lessons learned, shared and improved upon***. It is vital that councils do not default to previous ways of working in areas where new approaches are having positive outcomes.

This latest Local Government Overview is the first in a series of reports that will reflect on the evolving and long-term nature of the impact of Covid-19. Here we consider the initial response of councils. And our future reporting will give a more detailed analysis of the impact and lessons learned from the pandemic, including an assessment of progress being made in early phases of recovery in 2022 before looking ahead to how councils have supported their local communities to begin recovering.

Elma Murray

Interim Chair of the Accounts Commission

Key messages



**Communities
and people**



**Service delivery
and partnership
working**



**Resources and
governance**



1. The Covid-19 pandemic is having a profound impact on all aspects of society, including the economy, jobs, and the physical and mental health of the public

The negative impacts have been greater for those already experiencing socio-economic disadvantage, and existing inequalities have intensified. Councils have been at the centre of the response to the pandemic, supporting communities through these difficult times. They responded quickly and put their initial focus on maintaining service delivery and protecting communities.



2. Relationships with communities have been vital

Councils and communities have worked well together to manage local responses to Covid-19. These included supporting initiatives to promote wellbeing and support people who were shielding and facilitating community support hubs. Existing partnerships that were stronger before the pandemic made a smoother transition into the response phase, as there were fewer barriers. Moreover, some communities were able to offer a faster and more targeted response and deliver some vital services as a result of having fewer formal decision-making structures. In some cases, Community Planning structures have been strengthened and community groups have been able to work more flexibly, demonstrating the value of community empowerment.



3. Levels of service disruption have varied

Services such as education, social care and culture and leisure were badly affected, while other core services continued on a reduced basis. Services that could be delivered by people working from home were most resilient. The disruption to services had significant negative impacts on vital areas and on some client groups. These included carers who lacked access to respite care, people with learning disabilities who lacked access to important services and wider support, and school children, who experienced significant disruption to their education. Communities experienced significant service disruptions alongside the wider impact of the pandemic. This created further challenges including job losses and increased economic uncertainty, the impact on people's mental health, and increased child protection risks during lockdown.

Key messages continued



4. Some services were delivered virtually

For example, education continued where students were able to access learning materials online. Councils worked fast to enable homeworking for staff and to provide innovative IT (information technology) solutions. There were challenges for some councils in the early days of the move to homeworking, including limited internet connectivity and insufficient supplies of IT equipment to enable the required numbers of staff to work remotely.



5. The workforce demonstrated the versatility to take on new roles

Staff were redeployed from services that were closed or reduced into services facing increased pressure while working at pace under challenging circumstances. There will be an increased need in future for staff to be agile as services continue to evolve in line with the pandemic and the recovery phases. Councils must also manage the pressures on staff to ensure their people are not put at risk of burnout as the pandemic continues.



6. There were significant changes in council governance structures and processes

At the onset of the crisis, councils suspended or revised their meeting schedules, and adopted different approaches to decision-making. Virtual meetings were established in growing numbers of councils, and all councils now hold remote meetings. There is now less reliance on delegation to officers or emergency committees than in the early stage of the pandemic, but councils must continue to balance the need for urgent decision-making with transparency.

Key messages continued



7. Councils continue to face significant financial challenges, and these have been exacerbated by the pandemic

The Convention of Scottish Local Authorities (COSLA) estimated that the total net financial impact of Covid-19 in 2020/21 would be £767 million. This includes forecast financial pressures of £855 million, with loss of income accounting for around £400 million of this total. The financial pressures have been offset slightly by estimated cost reductions of £88 million from a range of areas such as lower property costs and reduced school meal costs.



8. The Scottish Government has provided substantial additional financial support, but the nature and timing of funding has created further challenges for councils

Funding announced by the Scottish Government by February 2021 is likely to support councils in covering the net financial impact of the pandemic for 2020/21. This additional funding includes a significant element of one-off grant funding, therefore this may present financial sustainability risks for some councils in future years. Furthermore, funding announcements have been frequent but not regular, and in some cases specific conditions are attached. This has created an additional administrative burden for the Scottish Government and councils arising from awarding and accepting grants and completing the related reporting requirements.

Key messages continued



9. Councils have started to plan for longer term recovery from the crisis

While restarting services is led largely by national guidance, and the response to a second wave of Covid-19, councils are beginning to think about how to rebuild local economies and support communities in the long term. Councils will play a pivotal role in this, and as they progress through the recovery phases, there must be recognition that a return to 'business as usual' will not be possible and that the negative impacts of the pandemic will be felt for years to come. Councils' recovery plans have signalled this kind of thinking, focusing on areas that were already priorities before the pandemic, such as digital, tackling inequalities and climate change. We are still learning about the significant long-term challenges, and councils' recovery and renewal plans should address the longer-term implications of the pandemic for local economies, communities and individuals. Recovery plans must also recognise the longstanding issues of inequality that exist and set out actions to address the differential impact of Covid-19 on different groups.



10. There has been some ongoing learning resulting from the emergency response to the pandemic

Councils' service delivery arrangements and working practices changed at an unprecedented pace and on a scale that would have been considered impossible in the past. The need to respond quickly with simplified procedures has allowed councils to operate more flexibly and achieve outcomes that would previously have taken much longer. For example, the use of digital technology, to support changes to service delivery and councils' governance arrangements, has accelerated at a greater pace than many councils had planned for or thought achievable. It is important that councils now consolidate and build on the factors that allowed this level of change and innovation to take place so quickly. Councils should also identify the positive developments to take forward into renewal planning to maintain this momentum. It is also important for councils to avoid the risk of reverting to 'business as usual' in areas where new ways of working are having positive outcomes, for example flexible working and an increase in digitally enabled services. We will consider further lessons learned in more detail in future local government overview reports.

About this report

Our local government overview this year is taking place amidst the Covid-19 pandemic, which has created an unprecedented set of issues and challenges for councils, their partners and for communities. The shape of the recovery and renewal curve is not yet clear, nor are many of the longer-term impacts on the economy, communities, and public services.

This report

- is the first in a series of reports that reflects the evolving and long-term nature of the impact of Covid-19
- considers the initial response phase of the pandemic from March 2020, and includes financial data correct as at the end of February 2021
- provides case study examples of council responses to new challenges.

Future reporting

- will give a more detailed analysis of the impact of the pandemic and lessons learned from it, including an assessment of progress being made in early phases of recovery in 2022
- will cover further progress, with renewal and recovery reported on in 2023.

Timeline of key events

18th - £350m funding announced for councils, the third sector, and community groups

20th - Closure of schools

24th - Scotland goes into 'lockdown'

30th - The Scottish Gov. announce that local authorities' August 2020 deadline to deliver 1140 funded hours of Early Learning and Childcare will be removed

6th - Coronavirus (Scotland) Act receives royal assent

20th - Covid-19 deaths peak in Scotland

5th - Scottish Gov. announce that £155m in Barnett Consequentials will be passed to Local Government

7th - Announcement of the 'Connecting Scotland' Initiative

29th - Scotland enters phase 1 of Scottish Gov. route map

16th - Summer provision of free school meals announced

19th - Phase 2 of Scottish Gov. route map begins

23rd - £257.6 million of additional funding for councils to help tackle Covid-19 is approved (includes £155m consequentials)

10th - Phase 3 of Scottish Gov. route map begins

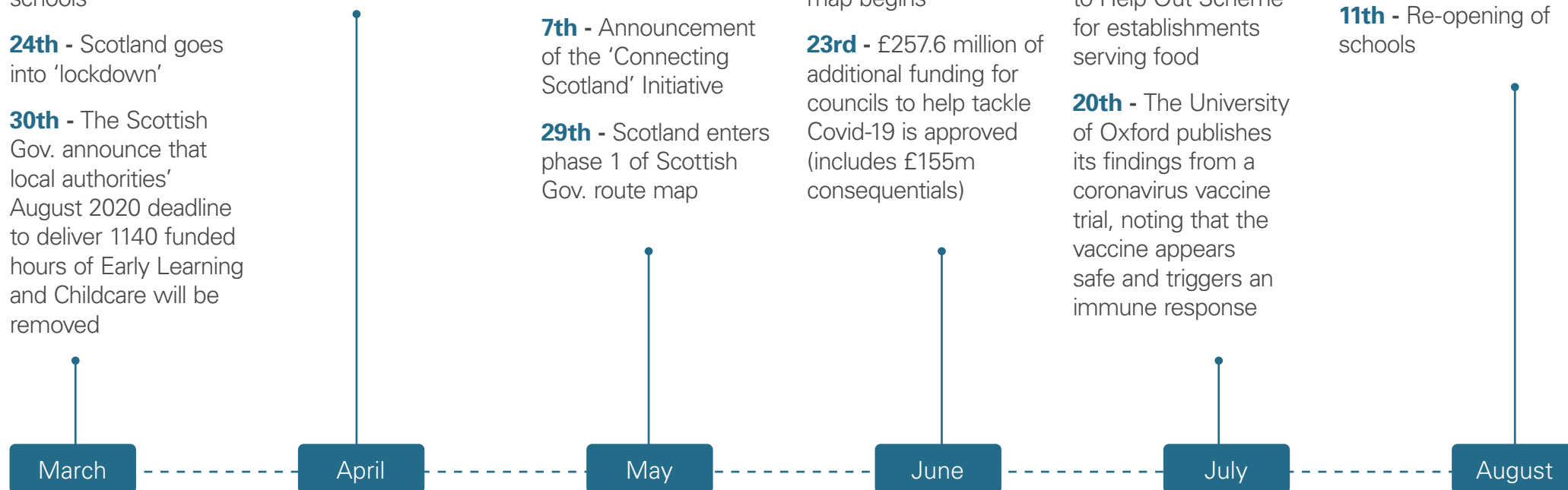
13th - UK Government announce the Eat Out to Help Out Scheme for establishments serving food

20th - The University of Oxford publishes its findings from a coronavirus vaccine trial, noting that the vaccine appears safe and triggers an immune response

5th - Local restrictions in Aberdeen following rise in infections

4th - Scottish pupils receive SQA results

11th - Re-opening of schools



Initial response phase, March to August 2020

Timeline of key events

1st - New restrictions introduced in the West of Scotland

22nd - New national restrictions and hospitality curfews introduced

24th - Scottish Gov. publish 2020/21 Autumn Budget revision. Covid-19 guaranteed consequentials reach £6.5bn

7th - Further temporary restrictive measures for hospitality, particularly in the central belt

20th - Further funding announced for free school meals and additional flexibility for councils to use the £20 million welfare fund

2nd - Local Authority protection levels take effect

5th - UK Gov. announce furlough extended to March

20th - 11 local authorities move into Level 4

24th - UK wide relaxation of restrictions over Christmas announced

8th - Covid-19 vaccination programme commences

14th - It is confirmed that the ELC expansion deadline has moved to August 2021

19th - The Scottish Gov. announce tightening of festive period restrictions

26th - National lockdown in Scotland begins

5th - Mainland Scotland goes into lockdown with a new legal requirement forbidding anyone from leaving their home except for essential purposes.

11th - The rollout of the Oxford/Astrazeneca coronavirus vaccine begins

29th - Scottish Gov. announce the Western Isles will move to Level 4 due to rise in cases

22nd - Children in early learning and childcare and primaries 1 to 3 return full-time to classrooms

25th - Scottish Gov. announce Scotland's vaccination programme has delivered first doses of the Covid-19 vaccine to a third of those eligible

28th - Scottish Gov. announce three cases of a Covid-19 Variant of Concern first identified in Brazil, have been identified in Scotland



Initial response phase, September 2020 to February 2021

Key facts/Context

About local government

Councils in Scotland operate in a complex and challenging landscape. The scale of Covid-19 has created an unprecedented set of issues and challenges for councils, their partners, and communities. These include unprecedented economic and social impacts, additional financial pressures and increased service demand, the need for new service delivery models and negative impacts across communities and groups, particularly those who were already vulnerable. For several years, councils have been dealing with increasing challenges and uncertainty while continuing to address the needs of local people and national priorities. The Covid-19 pandemic has put into clear focus the pivotal role of councils in delivering not only the day-to-day services that communities rely on, but also in responding to risks. It emphasises the essential importance of effective leadership, good governance and good financial management for all councils.

Additional Covid-19 actions and responsibilities

- support to communities
- business support grant administration and distribution
- infrastructure amendments
- advice services
- staff redeployment
- virtual service delivery

32 councils



£12.6bn net expenditure budget in 2019/20



Workforce of **206,000** local government staff



Providing services to **5,463,300** people in Scotland

431,000

claims for the Self-employment Income Support schemes

£0.8bn

estimated additional Covid-19 costs in 2020/21

180,000

people shielding in Scotland

£0.4bn

estimated loss of income in 2020/21

9,000

households receiving kit through 'Connecting Scotland'

£1.02bn

administered in business support grants

[Our Local government in Scotland: Financial overview 2019/20](#) and [Digital in Local Government](#) reports explore some of these issues in more detail.

Key characteristics of the response

We have organised our analysis of the local government response to the pandemic and the wider risks that have emerged under the following themes. Early lessons learned relating to each theme are highlighted in the following sections of the report.

Each characteristic can be navigated to by the tabs at the top of the pages.



Communities and people

Community wellbeing and the role of communities in responding to the crisis

- differing impacts of Covid-19 on demographic groups
- the impact of the pandemic on inequalities
- communities' contributions in responding to the crisis



Service delivery and partnership working

The adaption of service provision and working with partners

- reduced service provision and prioritised services
- innovation and digital delivery
- enhanced collaboration and more positive working relationships



Resources and governance

The financial impact of responding to Covid-19, use of resources and changes to governance arrangements

- challenging financial outlook– additional spending and lost income
- new funding and financial flexibilities
- staff redeployed to fulfil essential roles
- virtual decision-making
- changes to governance arrangements



Communities and people

The adverse effects of the Covid-19 pandemic on different communities will last for years to come. Some people have faced greater hardship than others, and inequalities have increased in areas such as health, deprivation, employment and digital access. Communities have been integral in supporting councils and their partners' responses to the pandemic. Covid-19 recovery planning needs a sustained focus on addressing inequalities with community empowerment at its heart.

Covid-19 has had a profound impact on society and the economy

- The impact of Covid-19 on society has been hugely disruptive. Social distancing measures have markedly changed people's daily lives and, for many, have had a detrimental impact on mental health and wellbeing.
- Covid-19 has created significant uncertainty for many sectors of the economy. The national restrictions have forced many industries to shut down completely, resulting in substantial job losses and reliance on the national furlough scheme. At November 2020 the unemployment rate was 4.4 per cent, compared with 3.8 per cent for the same period in 2019.¹ The Improvement Service has created a Covid-19 economic impact dashboard² which shows the current uptake of government support at a Scottish local authority level. This uses publicly available data and includes details of the types of employment furloughed, the Self-Employment Income Support Scheme, unemployment benefit claims, and the Covid-19 Business Support Fund Grant Scheme.
- Covid-19 will also bring longer-term impacts on the economy and labour market, potentially leading to structural changes and the risk of long-term scarring for those exposed to extended periods of unemployment. The pandemic has created unequal effects on the economy so far, with digital and tech industries thriving whereas retail, hospitality, tourism, and creative industries have been the worst affected. Many of the workers within these worst affected industries are among the lowest paid and include groups such as young people, women, those with disabilities, and minority groups. This creates a risk that existing social and economic inequalities will be exacerbated. There is also the potential for some areas to be disproportionately affected, for example in economies surrounding city centres relying on footfall and in rural economies relying on tourism. The Improvement Service comments on these issues in more detail in its Covid-19 Supplement to the Scottish Local Authorities Economic Development Group (SLAED) Indicators Report 2019-20.³

1. [Labour marker in the regions of the UK](#): Office for National Statistics, March 2021

2. [COVID Economic Impact dashboard \(shinyapps.io\)](#)

3. [Covid-19 Supplement to SLAED Indicators Report 2019-20](#)

Covid-19 had a significant impact on children and young people

- Significant disruption to education has had an adverse effect on children and young people. The move to home learning has been challenging for many families and has led to loss of learning and loss of school experiences. Our report [Improving outcomes for young people through school education](#) looks at these issues in more detail and notes that the negative impacts of the pandemic may affect children and young people across a range of outcomes, and has had a detrimental effect on mental health and wellbeing.
- Covid-19 has also had a significant impact on young carers, many of whom have had to take on additional caring responsibilities during lockdown. These young people provide essential care for their families, often 24 hours a day, and this can lead to challenges in maintaining their social, educational, and economic wellbeing, as well as their physical and mental health. The pandemic and associated lockdown restrictions and social distancing measures have had far-reaching implications for young carers. These include increases in the complexity of the care provided, the withdrawal of some aspects of external support, difficulties associated with home learning and increased stress and anxiety levels as care loads grow.

Covid-19 has had a disproportionate impact on some communities and groups in society

- Covid-19 has had disproportionate effects on peoples' health, particularly those with existing health conditions, but the pandemic and society's response to it is also having an unequal impact on disadvantaged and vulnerable people and communities.
- Those living in areas of high deprivation in Scotland are twice as likely to die from Covid-19,⁴ and structural inequalities, for example poor access to good-quality education, employment, health and housing, place black and minority ethnic groups at much higher risk of becoming severely ill with Covid-19.⁵
- One-third of 18-24-year-olds have been furloughed or lost their job, in contrast to just over one-sixth of working-age adults overall. A cause for concern is prompted by further analysis by the Resolution Foundation which suggests that those currently on furlough have an increased risk of later unemployment when the job retention scheme ends.⁶
- The financial impact of Covid-19 has been substantial for many individuals and families. Over half of families in receipt of Universal Credit or Child Tax Credit in Scotland have had to borrow money since the start of the crisis.⁷ The economic impact has also affected some groups to a greater degree than others, for example young people and women in low-paid job sectors that have faced service closures. Women have historically been exposed to labour market inequality, through comprising more underpaid and undervalued work and are also more likely to have caring responsibilities, making it harder to balance work and care commitments. These issues have been heightened through the response to Covid-19, as women have been disproportionately affected by job disruption and the need for more unpaid care.⁸
- In addition, digital exclusion has been exacerbated, resulting in reduced access to information, goods, and services for some. In the 20 per cent most deprived areas in Scotland, 82 per cent of households have access to the internet, in comparison with 96 per cent in the 20 per cent least deprived areas.⁹

4. [Deaths involving Coronavirus \(COVID-19\) in Scotland, National Records of Scotland, December 2020](#)

5. [Supporting community recovery and resilience in response to the COVID-19 pandemic: a rapid review of evidence, Glasgow Centre for Population Health, May 2020](#)

6. [Getting Britain working \(safely\) again, The next phase of the Coronavirus Job Retention Scheme, May 2020](#)

7. [A stronger Scottish lifeline in the economic storm, Joseph Rountree Foundation, July 2020](#)

8. [The impact of COVID-19 on women's labour market equality, Close the gap: Disproportionate disruption May 2020](#)

9. [Scottish Household Survey 2019: annual report](#)

New vulnerabilities have also emerged as a result of Covid-19

- Covid-19 has created new vulnerabilities and exacerbated existing inequalities and exposure to risk factors.¹⁰ The response to the pandemic has had a huge impact on vulnerable adults and children, for example through care services being removed from people with disabilities and elderly people, children with additional support needs having reduced educational support, and increased child protection risks as a result of children being less visible to support services.
- These services provide important streams of both practical and social support for those in need. The reduction or cessation of services has had a significant impact. For example, the Care Inspectorate found that children and young people, whose school education and building-based social activities had been suspended, were particularly adversely affected.¹¹ Similarly, parents in some situations became quickly exhausted. The Care Inspectorate also note the risk of hidden harm being a concern.
- The disproportionate impact has also been reflected in the challenges for those with caring responsibilities, including carers who have faced reduced access to support services and respite care.

Case study 1

East Renfrewshire Council



East Renfrewshire Council's multi-layered approach to shielding.

The council contacted those on the shielding list to assist with essential tasks such as delivering food and medicine. Further support was provided to other groups by cross matching the shielding list with the lists of those accessing other services, such as homecare, telecare, housing, learning disability, food hubs and young mums' services. This allowed the council to co-ordinate various elements of support and contact people who had not used services before. It also helped to identify wider issues that were emerging during the pandemic, such as communities being at risk of food poverty.

10. [A brief summary of some issues and potential impact on those living in socio-economic disadvantage, The Improvement Service: Poverty, Inequality and Covid-19](#)

11. [Delivering care at home and housing support services during the COVID-19 pandemic](#), September 2020

Councils were innovative and worked at pace to provide support to those most at risk

- In the initial phases of the pandemic, councils identified vulnerable people using sources such as databases of those accessing food banks, households receiving free school meals and people on the shielding list. This allowed for a targeted response to those at greatest risk.
- Councils have been at the forefront in adapting services and providing support to communities. Diverse approaches were taken to respond to the changing circumstances and to support the most vulnerable. For example, innovative solutions to provide accommodation for homeless people were established. The rapid response to housing the homeless, through additional funding and using private sector resources, is unprecedented.
- Councils are also contributing to national efforts to minimise the negative effect of digital exclusion on vulnerable communities, working with the Scottish Government and third sector to distribute digital devices through the 'Connecting Scotland' initiative.

Case study 2

The City of Edinburgh Council



The City of Edinburgh Council private sector leasing scheme to tackle homelessness.

The council increased its provision to homeless people by using private sector resources, such as hotels, B&Bs and rented accommodation through the private sector leasing scheme. Working with Link Housing, the council is looking to enhance the scheme in the longer-term, where landlords can lease their properties to the council for up to ten years at guaranteed rents. The council began a new contract for the scheme in April 2020 and, despite the challenges of Covid-19, the scheme has increased by 89 properties, and 321 new tenancies were established between 1 April and 6 November 2020.

Councils were innovative and worked at pace to provide support to those most at risk

Case study 3

Scottish Borders Council



Scottish Borders Council's 'Inspire Learning' programme:

'Inspire Learning' is an ambitious digital learning programme developed in July 2019, through which all secondary pupils and teachers received their own iPad. A range of partners have contributed to the programme's success by adopting a 'one vision' approach. The initial phase was completed six months ahead of schedule in March 2020, providing an invaluable tool for remote learning in response to Covid-19. In the first week of home learning, over 90 per cent of secondary pupils were using their iPads at home. The programme has also now been extended to all primary pupils in P4 and above and primary teaching staff. It also aims to aid collaboration between schools, enhance delivery of the curriculum, and address future employment challenges, by teaching young people digital skills such as coding, working with Apple's education initiative.

Councils will continue to play a significant role in addressing future inequalities

- The Convention of Scottish Local Authorities (COSLA) has recently prepared a [Blueprint](#), based on the empowerment of people and communities, that outlines the steps local government needs to take to overcome inequalities which increase the chances of contracting Covid-19, and longer-term impacts of the virus. However, it is too early to assess councils' progress in applying the blueprint or to understand the full impact of the pandemic on inequalities.
- Councils will play an integral role in Scotland's recovery from Covid-19 and putting communities at the centre of recovery will be vital. As well as managing the specific impacts of the pandemic, councils will also need to address the challenges that existed before the pandemic, many of which have been heightened.
- The impact of the crisis will require targeted interventions to ensure that people can be supported to overcome its damaging social and economic effects. Councils have demonstrated early signs of this kind of thinking, for example by developing virtual skills programmes for young people, and job-matching websites to help people find employment.

Case study 4

Falkirk Council



[Falkirk Council's Employment and Training Unit.](#)

The council's Employment and Training Unit has ensured that more than 800 people could continue to develop employability skills during Covid-19 by providing virtual support, replacing typical face-to-face learning. The team supports young people in Falkirk who wish to develop skills outwith traditional higher or further education settings. The service offers a range of support, from specific training and qualifications to wider life skills in wellbeing, health, and finance. The team has signposted people to other services to help with challenges arising from Covid-19. It has been successful in securing jobs for some despite the fragile employment market, in areas such as health and social care, retail, food and administration.

Lessons learned

The impact of Covid-19 has been extremely detrimental for many of Scotland's most vulnerable people and communities. The impact will be long-lasting and will significantly increase inequalities. Recovering from the pandemic will require tackling inequalities to be a priority.

As councils may look to embed longer-term changes to service provision as seen during the pandemic, it is important that they are adaptable in their approach, to ensure that services are reaching communities in the right way. Councils need to understand the needs of those experiencing digital exclusion and put

a strategy in place to ensure equal access to services for all citizens and communities.

Communities were an asset in councils' response to the pandemic

- As councils worked at pace to adapt service provision and provide additional support to vulnerable people, community groups made significant contributions, for example local people helping to coordinate the shielding response.
- Community-led responses were delivered through initiatives such as Community Planning Partnerships and third sector volunteering. Communities made important contributions to delivering these support systems.
- The establishment of community hubs was a common approach to coordinating local support by providing emotional support and services such as deliveries of food and medicines.

Case study 5

North Ayrshire Council



North Ayrshire Council's 'Three Towns' Community Hub.

The council established community hubs around its localities, one being the three towns of Saltcoats, Stevenston, and Ardrossan. Existing community engagement work provided a robust base for developing a collective response from different services, and from community groups that acted as volunteers.

The hub linked together expertise from the community, health, social work, libraries, community development and voluntary organisations. The hubs provided a local telephone point of contact for community need arising as a result of Covid-19, also helping to distribute food, medicine, mental health support, and books. Holistic working provided an efficient response to serving communities with various services 'under one roof'.

Communities experienced increased levels of activity and collaboration

- As a result of reduced levels of governance and decision-making protocols, communities embraced the opportunity to take charge in responding to the crisis. For example, communities quickly organised themselves to help councils to provide essential supplies to vulnerable people, often in a matter of days.
- Before the pandemic, this type of innovation and activity from local people faced barriers, including limited opportunities to influence or take control of decision-making processes, poor relationships and a lack of trust between communities and the public sector, continued financial pressures and austerity measures, and leadership and cultural challenges. However, the need for more streamlined processes allowed communities to make significant contributions in response to the pandemic. Our report [Principles for community empowerment](#) outlines the benefits of community empowerment in more detail.
- Collaboration was more effective where pre-existing relationships with communities were strong. Shared values and trust were important in helping councils to target support and achieve buy-in from community groups.

Case study 6

East Lothian Council



[East Lothian Council](#) **Connected Communities Resilience Bases.**

The council established six bases (one in each ward) across the local authority area to support vulnerable people or those who are self-isolating and have no other local support. Staff coordinated the despatch of essential goods including food, sanitary products, and hearing aid batteries. They proactively contacted those on the shielding list and worked with community groups to tackle concerns over wellbeing and isolation.

Lessons learned

Action taken by communities has been vital in supporting councils and their partners to deliver an emergency response. Partnerships that were well-established before the pandemic had a smoother transition into the response phase and acted more quickly than others.

The importance of strengthening relationships with communities has been apparent. Greater flexibility in decision-making structures has been an effective tool for communities, empowering them while allowing the council to operate more efficiently. Giving communities

more scope to use initiatives like this will be important in the future but must be balanced with the return of robust governance arrangements and continued openness and transparency in decision-making.



Service delivery and partnership working

Councils were central to the national Covid-19 pandemic response to supporting communities and vulnerable groups, alongside partners in health and social care and voluntary sectors. They responded quickly to the pandemic, placing their initial focus on maintaining essential services and protecting communities. Levels of service disruption varied during the early stages of the spring 2020 lockdown. Some councils worked well with their communities to respond to the challenges.

Councils proved agile in adapting service provision, by redirecting resources and using digital technology

- In their initial response to the national lockdown in March 2020, councils had to take quick decisions on their priorities to maintain key services while changing the way they delivered services and pausing some altogether.
- Generally, the most resilient services were those that were able to embrace home working, particularly administrative, support and processing functions.
- The impact of the pandemic and disruption to services varied. Services such as education, social care, culture and leisure, and housing repairs were significantly disrupted, and it is likely that these impacts will have longer-term consequences for communities and councils.
- Our report [Improving outcomes for young people through school education](#) found that those involved in planning and delivering school education and their partners had developed a strong foundation of working together before the pandemic. That foundation helped them deliver a quick response to the crisis. However, the move to home learning was less effective for children and young people living in already challenging home circumstances. This has exacerbated learning and development inequalities among pupils.

Case study 7

Aberdeen City and East Dunbartonshire



Councils including [Aberdeen City](#) and [East Dunbartonshire](#) distributed digital equipment to school pupils.

Aberdeen City Council's Education Service provided laptops and internet access for children and young people to support their access to the curriculum and continuing their studies at home. Teachers came up with interactive ways to provide more engaging learning for students. Guidance on delivering a digital curriculum was also issued to parents and staff.

- The pandemic impacted on councils' ability to carry out their social care functions, and the Coronavirus (Scotland) Act 2020 temporarily relaxed many of the usual statutory requirements on councils. These changes had significant negative impacts on some vulnerable groups and communities. In its review of care at home services, the [Care Inspectorate](#) found that health and social care partnerships effectively prioritised support for people with critical needs; but the impacts of this prioritisation on other people using services was very variable across the country.
- The suspension of day care and respite services had a particular impact on children and young people with additional support needs, learning disabilities or challenging behaviours. Children and young people whose school education and social activities had been suspended were particularly adversely affected.
- The Care Inspectorate also found that social isolation, disruption of daily activities, limitations on physical activity and the suspension of reablement services had an adverse impact on the health and wellbeing of people who experience care and carers.
- All councils and partner providers closed their leisure centres, libraries, museums, and cultural centres to the public.
- Councils initially restricted housing repairs to emergencies and essential repairs only, and the right to repair timescales were suspended in cases where landlords and contractors could not meet them because of the disruption caused by Covid-19.

Case study 8

Midlothian Council



Midlothian Council's Registrations service moved to a seven-day service, to make sure that deaths would be registered on time, and in line with social distancing requirements.

The service adapted to enable remote digital registrations, coordinating the early stages of each registration before completing it in the office. The council's library support team provided administrative assistance to the registrations team.

- Other services such as waste collection and administration functions continued on a reduced basis in the early stages of the spring 2020 lockdown. For example, in waste management, most councils continued kerbside bin collections, but recycling centres were temporarily closed. Most planning services were moved online with site visits suspended and a focus on responding to urgent matters.
- Councils made creative use of digital technology, responding to challenges across services. For example, school pupils were given access to learning materials online while learning at home (the 2021 report [Improving outcomes for young people through school education](#) looks at councils' responses to the pandemic and their impacts in detail). In addition, fitness classes and library collections moved online; some care homes provided virtual visiting for residents; and some councils live-streamed funeral services privately for family and friends.
- The [Digital progress in local government report](#) found that the pandemic has had a huge impact on council workforces, resulting in a large-scale shift to homeworking and remote working. Getting the right technology, skills, and support in place to give staff the confidence to use new cloud-based tools has been a key challenge. Councils' digital and information communication technology (ICT) teams have responded with unprecedented speed, agility, and resilience.

Case study 9

Perth and Kinross Council



[Perth and Kinross Council](#) live streamed funeral services from Perth Crematorium, to allow families to say goodbye to their loved ones safely while following social distancing guidelines.

The webcam service was made available privately to relatives, and the feedback received from families has been overwhelmingly positive.

Councils rapidly changed service delivery arrangements

- Councils reacted quickly to take on new responsibilities brought about by the pandemic, including distribution of business support grants ([see Resources and governance section](#)) and involvement in the shielding response.
- Councils have also experienced an impetus for digital change from the challenges of the pandemic, with some taking the opportunity to accelerate their digital transformation plans by, for example, adopting online meetings and reducing staff travel. [The Digital progress in local government report](#) provides more details on how councils met these challenges.
- Data sharing between councils and partners enabled resources to be directed to those in need. [The Digital progress in local government report](#) highlighted the example of the Helping Hands platform which councils and third sector partners jointly developed to coordinate support for citizens who were shielding or otherwise vulnerable. This allowed councils and partners to identify and support those at greatest risk. However, the Improvement Service found that a lack of data sharing in some cases created challenges, for example relating to councils and Public Health Scotland sharing Test and Protect data from households required to isolate.
- Our review of the 32 council websites found that councils took similar approaches to communicating with the public and staff through their websites by providing periodic updates on most services. But some councils' websites had gaps in information on key services such as homelessness and social care in the early stages, creating the risk of people not being kept fully informed about the services they needed.

Case study 10

Perth and Kinross Council



[Perth and Kinross Council staff such as parking attendants worked with NHS Tayside to collect and deliver prescriptions and other medical equipment to patients.](#)

This followed the suspension of parking charges, to allow key workers to get to their places of work more easily. The council's Public Transport Unit also worked with businesses that normally take pupils to school to instead take key workers to and from work back home.

Council workforces demonstrated versatility by adapting quickly, taking on new roles and working under pressure to maintain key services

- Councils redeployed staff from closed or reduced services to services that faced increased demand or pressures. Staff have had to work at pace and under significant pressure.
- Homeworking and staff redeployment have created challenges for council workforces. The additional pressures created by new and changed ways of working reinforce the need for the workforce to be versatile now and in the future.
- The impact of the pandemic on staff wellbeing and mental health means that there is an increased need for leaders to be aware of staff wellbeing and their role in supporting staff, as well as ensuring the effectiveness and accuracy of councils' workforce data and planning. These challenges have been highlighted by the [Improvement Service Organisational Development Local Authority Network \(ODLA\)](#).
- There is an increasing and ongoing need for council workforces to be agile as services continue to adapt to the impact of Covid-19, and as recovery moves into renewal. But councils must also manage the pressures on their staff to ensure their people are not at risk of burnout as the pandemic continues.

Case study 11

North Ayrshire Council



[North Ayrshire Council redeployed staff to its community support hub network to work with volunteers in supporting local communities.](#)

The hub network was established in March 2020 providing services including support to vulnerable residents and people in isolation to access emergency food supplies, and connecting with people struggling with money worries, social isolation, and poor mental health. The links to a wide range of disciplines allowed the hub to respond quickly in the initial phases of lockdown by taking a multi-agency approach. In one week, the hubs answered over 2,200 calls, carried out 2,153 food deliveries and 746 prescription drop-offs, and provided advice and signposting to over 400 residents to key statutory services.

Lessons learned

Councils must closely monitor the impacts of service changes and disruptions on people and communities. There are growing concerns about the effects of service disruptions on different groups, for example the impacts of moving school education into homes and online on disadvantaged and vulnerable children

and young people, and of reduced or paused care services on people who rely on them and their carers. Councils must develop targeted responses to tackle both the immediate negative impacts of the pandemic and the long-term inequalities that have been exacerbated.

As councils embrace longer-term digital service provision, they must balance the efficiencies digital services bring against the needs of communities and the workforce. Citizens must be at the heart of decisions about the services they rely on.

Councils have worked effectively with community partners to respond to the impacts of Covid-19. Partnerships between councils and community partners have developed and strengthened in some areas

- Councils play a key role in leading and coordinating partnerships focused on supporting and improving the lives of people in their communities. This role has been crucial as councils have coordinated and managed local responses to the pandemic. There have been many positive examples of these partnerships - including in mandatory Local Resilience Partnerships, through data-sharing responses to support shielding - and community resilience responses.
- During the early stages of the spring 2020 lockdown, it was not always clear how councils identified those in need of additional support. Some councils outlined their approaches on their websites, for example in providing additional support to individuals and families by coordinating data on those accessing other support such as food banks, households receiving free school meals, and those on the shielding list. Not all councils detailed their approaches publicly. This created a risk that people were not fully informed about the services they could access and were entitled to, particularly those in vulnerable groups, or about the council's response to Covid-19 in their local area.
- Partnerships with the third sector and communities have been particularly important in protecting people's wellbeing and supporting community hubs. As noted in the [Communities and people](#) section, partnerships that were well established before the pandemic had a smoother transition in the response phase. Many councils set up community hubs, and some communities were able to offer a faster and more targeted response to deliver vital services as a result of having fewer formal decision-making structures.

- Councils played an active role in national initiatives such as [Connecting Scotland](#), working with the Scottish Government and third sector to distribute digital devices to people in need.
- Collective action from Community Planning Partnerships (CPPs) had a significant positive impact. CPPs provided a much-needed way of coordinating local support activities and communications. Work carried out by the Improvement Service highlighted how CPPs have added value, through emergency resilience planning and by providing an immediate response involving key partners and communities.
- CPPs' impacts highlighted the value of Community Planning, in coordinating local and national responses, mobilising communities to take charge of supporting vulnerable people, developing existing relationships within Community Planning, and marshalling third sector resources. Following this initial reactive phase, there is evidence of CPPs now looking to join councils' efforts in recovery planning.

Case study 12

East Renfrewshire Council

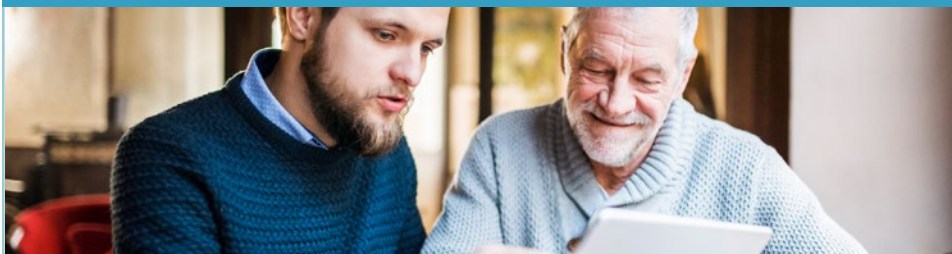


[East Renfrewshire Council](#) contacted the 2,500 people on the shielding list to check whether they needed any assistance, for example in obtaining food and medicine provision, digital support, or financial help.

The council also carried out a social care needs assessment at that point to determine what support was already in place, for example district nursing or home care, and then worked with Voluntary Action East Renfrewshire to meet the additional needs.

Case study 13

Fife Council



[Fife Council worked with Fife Voluntary Action to deliver the Helping Hands initiative.](#)

This aims to support local communities across Fife, providing a range of essential services, including delivery of shopping and prescriptions, and providing transport and befriending services. There are eight active community resilience groups in Fife, six of which were established before the pandemic. These linked directly with the Emergency Resilience Team which provides advice on and support for developing local resilience arrangements and community-led responses. The groups have been key to providing a foundation for building capacity and additional resources to respond to the impacts of Covid-19 and support communities.

- The Improvement Service has worked with COSLA and the Society of Local Authority Chief Executives (SOLACE) to develop a local government Covid-19 dashboard, to help councils to coordinate and draw insights from the significant volume of Covid-19 data they hold. The dashboard has been created to put greater focus on evidence-based service arrangements and to help councils use timely data to inform their decision-making. It is too early to assess the overall effectiveness of the dashboard, but the early signs are positive, and councils now have access to current data on key figures and emerging trends analysed nationally and at family grouping level. Further consideration will be given to the dashboard in future local government overview reports.
- More broadly the Improvement Service has played a key role in sharing good practice examples of effective ways of working by councils during the pandemic, preparing a paper on the role of Community Planning in the response to the crisis and producing economic dashboard outputs on its website to show differences in councils' uptake of the furlough schemes. COSLA's Recovery Special Interest Group is currently reviewing lessons learned and developing policy on the national recovery from Covid-19. The group is chaired by the COSLA vice-president and includes COSLA's president and five policy spokespersons. Its aim is to develop political direction from local government to shape the medium- to longer-term recovery work.

Councils' approaches to restarting paused services have varied, but they have been guided by the Scottish Government's national guidance

- As well as recovery planning, early action has already been taken in some councils to address the profound and immediate economic and social consequences of the pandemic. Some councils are working with partners to develop skills programmes to tackle future employment issues and using place-based approaches to address wider economic challenges.
- Councils have also maintained their focus on key challenges that they faced before the pandemic, and progress has been made in some areas despite the unprecedented pressures that emerged. For example, in March 2021, the Improvement Service¹² noted that data returned by local authorities indicated that 114,222 children were accessing funded early learning and childcare services as at the end of February 2021. Of these, 98,474 children (86 per cent) were accessing more than the statutory entitlement of 600 hours, and 74,096 children (65 per cent) were accessing 1,140 hours, despite the legal obligation to do so being suspended for a further 12 months.
- But there are significant challenges facing councils as they move from the response to recovery from the pandemic. As we highlighted earlier in this report, there are longstanding and wide-ranging inequalities in children's and young people's education outcomes that have been exacerbated by the impacts of and actions taken in response to Covid-19. The impacts of reduced services for pupils and for care service users for example, may not be known for some time and will require long-term efforts to address them.
- Services that were paused or reduced during Covid-19 restrictions will have built up backlogs of demand that may take some time to become clear. Councils' responses to these backlogs and the restarting of services will need to be effectively resourced and managed.
- Looking to the medium and longer term, councils recognise the challenges of repairing the damage to communities caused by Covid-19. Recovery planning began in many councils early in the pandemic, primarily focusing on recovery and renewal. The priorities that demanded councils' attention before the pandemic have become even more pressing, such as tackling inequalities, improving outcomes for young people, and tackling climate change.

12. [Early Learning and Childcare Expansion Delivery Progress Report, March 2021](#)

Case study 14

Glasgow City Council

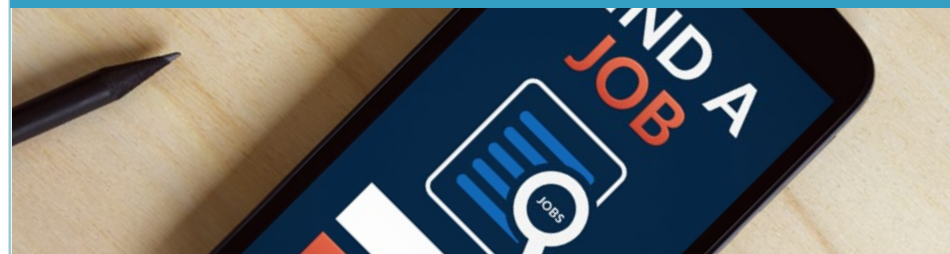


Glasgow City Council acted promptly in establishing its Covid-19 Recovery Group to tackle the economic and social consequences of the pandemic by looking at economic impact data.

At the end of this process, the group will publish a report containing recommendations on the actions that will guide the economic recovery of the city and city region. The group consists of members of the Glasgow Economic Leadership, the Glasgow Partnership for Economic Growth, the Glasgow Economic Commission, and some external advisers. Members include representatives from the public sector, academia, the voluntary sector, and the tourism, retail, financial services, and energy sectors.

Case study 15

Edinburgh and South East Scotland

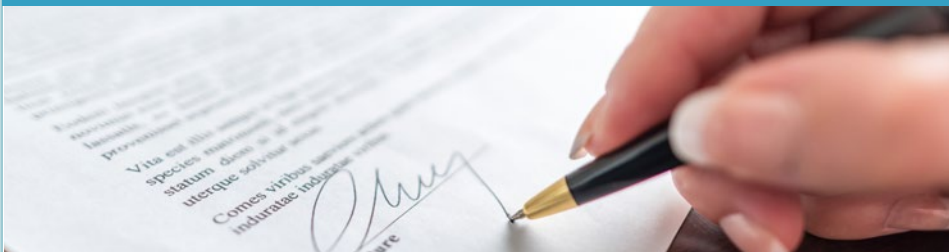


Edinburgh and South East Scotland City Region Deal partners, through the Integrated Employer Engagement workstream of the Integrated Regional Employability and Skills programme, launched a new job matching website, c19jobs, as a rapid response to promote key worker roles and to help reduce unemployment caused by the pandemic impacts.

The site offers vacancies in key sectors such as the NHS, supermarkets, and take-away services. The site also provides information and guidance for both employers and employees.

Case study 16

North Ayrshire Council



[North Ayrshire Council launched its Community Wealth Building Strategy in May 2020 which is the first of its kind in Scotland.](#)

The strategy underlines how the council and other 'anchor' organisations – including NHS Ayrshire and Arran, Ayrshire College, and wider partners - will support more local business to bid for public sector contracts. The council seek to continue to enhance its strategy, recognising that Covid-19 has had a negative impact on inequalities to ensure that the recovery is strong, resilient, and fair. It aims to 'keep wealth local' and provide more sustainable solutions to tackle Climate Change.

Lessons learned

Councils and their staff have been at the centre of unprecedented efforts to protect and support people and communities through the Covid-19 pandemic. Demands on people have been intense, and both council staff and the citizens they serve will need continued targeted support through the move to recovery and renewal. Councils' recovery and renewal efforts must be informed by comprehensive understanding of the issues that affect all those who live and work in their communities, and the positive partnerships built on during their initial response should be a core element in this.

The impacts of the pandemic, particularly its unequal impacts on groups in society and the awareness it has raised of issues of fairness and equality, the importance of community and the value of local services are all key to deciding future priorities for public services and what 'building back better' might mean for communities.



Resources and governance

Councils have been dealing with the unprecedented economic and fiscal consequences of the Covid-19 pandemic alongside other challenges. Significant changes were also required to governance arrangements in the early stages of the pandemic.

Councils face significant financial challenges as a result of the pandemic

- Our [Local government in Scotland: financial overview 2019/20](#) report explains how the Covid-19 pandemic and associated lockdown has affected many aspects of councils' finances and created significant financial challenges and uncertainty.
- As part of COSLA's cost collection exercise carried out in July 2020, councils estimated that the total 2020/21 net financial impact of Covid-19 would be £767 million. This includes financial pressures totalling £855 million, offset by cost reductions of £88 million from a range of areas such as lower property costs and reduced school meal costs. Loss of income accounted for around £400 million of the forecast financial pressures. Other areas forecast to come under increased pressure include the costs associated with delaying capital projects, underachievement of savings and the additional costs associated with delays in the redesign and reconfiguration of services.
- The closure of sport and leisure facilities is likely to result in a significant loss of income for councils. In summer 2020, COSLA estimated that this could be around £75 million for 2020/21, however this was based on assumptions in line with the Scottish Government's route map out of lockdown at that time. It is likely that the further lockdown restrictions implemented in December 2020 will exacerbate this challenge, resulting in a greater loss of income than first anticipated. This also applies to other areas of lost income for councils, including from the closure of other buildings and services, reductions in fees and charges and the impact of school closures on income from food and drink. In addition, the council tax reduction scheme and loss of council tax revenue continues to put significant pressure on revenues, alongside similar challenges faced by councils in collecting housing rent payments. Councils also projected that they will miss out on over £50 million in savings as a result of opportunities forgone and the pressures faced in response to Covid-19.
- Councils' auditors also reported wider financial consequences of Covid-19 in the 2019/20 annual audit reports. These include the suspension of capital programmes, delays in bad debt collection and the uncertainty of capital receipts.

Case study 17

Projected loss of income – ALEOs

Several large urban councils have arm's-length external organisations (ALEOs) that were set up to manage commercial activities and provide income back to councils. These include conference facilities and transport services.

Councils' projected loss of income from these organisations in 2020/21 is £39 million. This includes Lothian Buses, Edinburgh Trams, the Scottish Exhibition and Conference Centre and the Aberdeen Exhibition and Conference Centre.

The UK and Scottish governments have provided substantial additional funding to support the pandemic response

- Scotland has had guaranteed additional funding from the UK Government of £8.6 billion. As at February 2021, over £2 billion of Scottish Government Covid-19 support for councils had been either allocated or announced. This includes the following:
 - £800 million of non-ringfenced revenue support, including £200 million (estimated) of dedicated funding to compensate councils for loss of income
 - £267 million to support education recovery
 - £255 million to support individuals, families and communities
 - £434 million of NHS funding to be passed on to health and social care partnerships
 - £63 million of capital support for Regeneration Capital Grant Fund, Town Centres Capital Fund, School transport support and Digital Inclusion funding.
- As part of their new responsibilities resulting from the impact of the pandemic, councils have administered funding of over £1 billion under the Covid-19 Business Support Fund Grant Scheme. These grants are administered by councils on behalf of the Scottish Government, and funding is made available to councils to finance the costs incurred. Councils reported that over 106,000 applications were received for the Small Business Grant Scheme and the Retail, Hospitality and Leisure Business Grant Scheme across Scotland. Of the applications received, over 90,000 were successful with grants of over £1 billion awarded by December 2020.¹³

Covid-19 Business Support Fund Grant Scheme (December 2020)

- Total number of applications: **106,662**
- Number of grants awarded: **91,258**
- Value of grants awarded: **£1,019,526,016**

13. [Coronavirus \(COVID-19\): business support fund grant statistics - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/coronavirus-business-support-fund-grant-statistics/pages/13.aspx)

More councils added to their revenue reserves in 2019/20. Further increases may occur in 2020/21 as a result of carry-forward of late grant funding and allocations of cash from the Scottish Government

- In 2019/20, 22 councils reported increases in their revenue reserves balance (13 in 2018/19), with a net increase of £65 million (or three per cent) across all councils. Reserves play an important role in effective financial management. They provide a working balance to smooth out uneven cashflows, protect against the financial impact of unexpected events, and enable funds to be built up for known future commitments. With continued uncertainty around available funding and additional costs resulting from Covid-19, increases in revenue reserve balances may help councils to deal with short-term cash-flow challenges in 2020/21.
- Some elements of funding announced by the Scottish Government in late 2020/21 may need to be carried forward by some councils. This, along with late allocations of cash that are unlikely to be spent before the year-end, is likely to have an impact on councils' year-end reserves. Although an increase in revenue reserves would provide some additional flexibility for councils at a time of significant financial challenges, this is more likely to reflect the timing and nature of funding allocated rather than favourable financial positions resulting from strategic decisions made by councils. Late funding carried forward from 2020/21 is also likely to be earmarked for specific purposes rather than being available for general use. It is important that councils continue to recognise the sustainability challenges of using reserves to fund recurring expenditure, particularly as the impact and challenges of Covid-19 continue to develop.

COSLA is working closely with the Scottish Government to obtain additional financial support for councils

- Discussions continue around an additional package of spending powers and financial flexibility that the Scottish Government claims could be worth up to £600 million for councils. This figure would apply if all councils were able to use all the new flexibilities, but COSLA does not consider this to be a likely scenario. Councils will need to consider the increased costs that may arise in future years and the impact that Covid-19 may have on some areas, for example expected capital receipts. The additional spending powers being discussed apply to Covid-19-related pressures only and to the years 2020/21 and 2021/22 and include:
 - enabling the use of capital receipts to meet one-off revenue funding pressures, including Covid-19 related costs
 - extending debt repayment periods over the life of the asset rather than the contract period
 - allowing councils to take a repayment holiday in either 2020/21 or 2021/22 to defer internal loan fund repayments.
- The Scottish Government has also provided flexibility in its guidance on how councils use specific education and early learning and childcare funding. This includes Pupil Equity Funding and deploying early learning and childcare funding flexibly to deliver critical services for children and families. The extent of how these individual flexibilities may be used by each council is as yet unclear. Each council will need to consider the flexibilities available and decide how funding is used. This may depend on the extent of unavoidable commitments already made, for example in early learning contract commitments to parents.

The total net cost of Covid-19 in 2020/21 will be challenging for councils but is likely to be managed through savings, use of reserves and additional funding provided by the Scottish Government. Nevertheless, significant uncertainty remains around future financial planning and support

- The report [Local government in Scotland: Financial overview 2019/20](#) estimated that funding announced by the Scottish Government by November 2020 would meet 60-70 per cent of the revenue cost pressures identified by councils, with total costs and funding still uncertain. Councils have taken steps to manage this position in-year through delivery of savings and use of reserves. Subsequent announcements of additional funding by the Scottish Government at the end of February 2021 indicate that the total net cost of Covid-19 in 2020/21 may now be fully covered. However, a significant element of this additional funding is non-recurring and ringfenced for specific purposes. Councils may still have cost pressures in other separate areas, including in core services, which may not be met by this specific funding. This therefore puts increased pressure on councils to identify ways to close remaining budget gaps with limited flexibility in some of the funding allocated.
- Funding of councils beyond 2021/22 remains uncertain. Currently, funding is being provided incrementally, and this presents challenges for councils in planning effectively. Significant levels of grant support have been provided by the Scottish Government in 2020/21, but it is not yet clear whether this will continue in future years as the impact of the pandemic develops. COSLA anticipates that the impact on council finances will be felt for years to come, particularly in relation to recovery of income streams and collection of council tax debt. Furthermore, the flow of funding in late 2020/21 has created an additional administrative burden for the Scottish Government and councils in awarding and accepting grants and completing the related reporting requirements. This may have an adverse impact on councils' ability to respond to local needs should a large proportion of future funding come with similar conditions.

Lessons learned

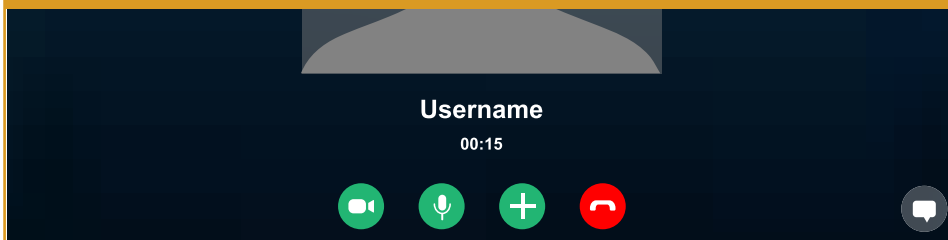
The timing and nature of funding for local government is creating pressure and uncertainty for councils beyond the current financial year. Funding is being provided incrementally and the lack of certainty regarding future budgets makes effective short- and medium-term planning very difficult for councils. Covid-19 will have long-term impacts on councils and the communities that they serve. Councils are likely to require additional support to address the challenges of remobilising services, and supporting social and economic recovery. If additional funding is provided with specific conditions or is ring-fenced for specific purposes councils will then be forced to make difficult prioritisation decisions with potential negative impacts on other services. A lack of flexibility in future funding may lead to a differential impact on service delivery and exacerbate existing financial sustainability risks.

As reported in Local government in Scotland: Challenges and performance 2018, services such as planning, cultural services, environmental health and roads have borne the brunt of service cuts in recent years. The trend has been one of larger reductions to relatively smaller service areas with no change in real terms to social care and education spending. The increased financial constraints created by Covid-19 are likely to create a further risk to recovery should smaller services face further cuts. This will adversely affect councils' ability to provide importance services that people and communities rely on.

Councils made swift changes to governance arrangements

- Councils moved quickly to a revised/suspended schedule of meetings. Many councils held only meetings dealing with urgent business, while some councils maintained other committees. Several councils established a Covid-19 committee, which was helpful in providing key information and updates in relation to council business during the pandemic.
- Some councils have since moved to virtual committee meetings, while others have operated blended or socially distanced meetings. There was some initial inconsistency in how councils made decisions, with some establishing 'emergency' or 'special' committees to take key decisions that would otherwise have been taken by other committees, and others delegating key decisions to senior officers. All 32 councils now have arrangements in place for remote meetings and are not relying on delegation to officers or emergency committees to the extent seen early in the pandemic.
- The Improvement Service notes in its November 2020 paper ['Transitioning to the new normal: Political Governance'](#) that around half of councils are now livestreaming meetings or allowing members of the public to participate. Many of the councils that do not currently livestream or allow the public to participate are exploring options for doing so. Microsoft Teams is the most popular platform, and some councils are using it in conjunction with other technology. Although not in breach of the provisions in the Coronavirus (Scotland) Act 2020, a lack of public participation restricts the openness and transparency of decision-making.
- The new governance arrangements introduced by councils have created greater flexibility and safer conditions for officers, elected members, and the public. However, councils will be required to decide on the longer-term sustainability of these arrangements. Some feedback gathered by the Improvement Service notes that remote meetings are taking longer and need additional support staff to facilitate them, placing greater strain on resources. Councils will face difficult decisions in resourcing governance arrangements that are flexible and safe but that also enable effective scrutiny and decision-making.

Case study 18

Aberdeenshire Council

Aberdeenshire Council was able to ensure minimal disruption to democratic processes from the beginning of the pandemic as it already had the technology in place.

This enabled a smooth transition to virtual meetings by Skype and remote working – ahead of other councils. One committee meeting was postponed, but otherwise all council meetings continued as scheduled. The council produced guidance for elected members, chairs, committee officers and board members to ensure proceedings ran as smoothly as possible. Guidance was also available to help the public understand how meetings would be conducted and recorded, and how they could participate in meetings and access those recordings.

Lessons learned

Councils have reacted well to the changing environment and have acted quickly to implement new governance arrangements that are safe and flexible. Although delegation to officers and emergency committees was undertaken at some councils in the early stages, it is welcome that all 32 councils now have arrangements in place to support remote meetings. It is likely that the requirement for remote meetings will continue for some time, therefore all councils should ensure that public participation is facilitated as soon as possible to provide openness and transparency in decision-making.

The pandemic created significant challenges for councils in financial planning and reporting

- There was inconsistency in the pace at which councils prepared financial updates during the initial response phase of the pandemic. Early monitoring of councils' websites found limited reporting of financial considerations. A few councils prepared detailed financial analysis papers in the early months of the pandemic, but most were slower to make this information available to the public. There has since been an improvement in the pace at which councils are providing financial updates, but the cost projections and assumptions included remain uncertain as the situation continues to develop.
- Councils will need to revise their medium-term financial plans. The wide range of financial and service demand pressures councils faced before the pandemic still exist, alongside a new set of future challenges created by the pandemic. These include restarting services and dealing with backlogs, developing new services and strategies to address the long-term harm caused to communities by the pandemic. In 2019/20, auditors reported greater uncertainty in current financial planning arrangements at councils due to Covid-19. Medium-term financial plans will now need to be revised by all councils to consider additional financial pressures and updated funding arrangements, as well as updated savings requirements and financial assumptions.
- The strategic uncertainties around Scotland's public finances and fiscal plans may also create challenges for councils in updating their own financial plans. Prioritising services such as the NHS may have an adverse impact on local government funding levels. In the [Local government in Scotland: Financial overview 2019/20](#), we reported that between 2013/14 and 2019/20, local government funding underwent a larger reduction than the rest of the Scottish Government budget over the same period. The Scottish Government will have to make difficult fiscal decisions in response to the pandemic and this may exacerbate the financial uncertainty challenge for councils.
- The differential impact of Covid-19 on some groups and communities has implications for the Scottish Government's approach to the distribution of funding. It needs to be targeted to those most in need. As reported in the [Local government in Scotland: Financial overview 2017/18](#), we recognise that a review of funding distribution is difficult in times of reduced budgets and financial challenges, as there will inevitably be some councils that end up with smaller allocations of funding, putting further strain on already tight budgets. Nevertheless, as the effects of the Covid-19 pandemic develop it is increasingly important that the Scottish Government and COSLA assure themselves that the funding formula remains fit for purpose.

Case study 19

Inverclyde Council



Inverclyde Council prepared a 'Covid-19 Financial Considerations' paper in late March 2020.

This paper was used to highlight the financial pressures and supports relating to Covid-19 and to seek delegated powers where required to release funding. All councils are now preparing regular Covid-19 related financial updates for elected members and the public.

Lessons learned

Councils' medium-term financial plans will need to be updated to reflect the significant financial impact of the Covid-19 pandemic. Although considerable challenge and uncertainty still exists, it is important that councils have a plan in place that identifies medium-term impacts so that steps can be taken to manage risk and plan effectively. Good medium-term financial planning, based on modelling various future scenarios and focusing on clear priorities, is more important now than ever.

Local government in Scotland: Overview 2021

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Date	17 June 2021
Agenda Item	14

Report to Audit Risk and Governance Committee

Report Title: Risk Management Annual Report

Report By: IJB Risk Manager

Summary of Report and Implications	
Purpose	This report: (tick any that apply).
	- seeks a decision <input type="checkbox"/>
	- is to provide assurance <input type="checkbox"/>
	- is for information <input checked="" type="checkbox"/>
	- is for discussion <input checked="" type="checkbox"/>
	The purpose of this report is to inform the Audit, Risk and Governance Committee of the risk management annual report.
Recommendations	It is recommended that the Audit, Risk and Governance Committee considers the risk management annual report for 2020/21.
Directions to NHS Lothian and/or West Lothian Council	A direction is not required.
Resource/ Finance/ Staffing	None.
Policy/Legal	The IJB's Policy is to effectively mitigate risks to the achievement of its objectives by implementing robust risk management strategies, policies and procedures, which enable managers to effectively identify, assess, and mitigate risk.
Risk	Directly relevant to the management of the IJB's risks.
Equality, Health Inequalities, Environmental and Sustainability Issues	The report has been assessed as having little or no relevance with regard to equality or the Public Sector Equality Duty. As a result, an equality impact assessment has not been conducted.

Strategic Planning and Commissioning	Effective risk management is a pre-requisite for effective performance and outcomes.
Locality Planning	None.
Engagement	Chief Finance Officer, Senior Auditor.

Terms of Report	
1.	Risk Management Annual Report
1.1	The Risk Management Strategy approved by the IJB on 26 June 2018 includes a requirement for an annual risk management report to be submitted to the Audit, Risk and Governance Committee.
1.2	The risk management report attached as an appendix discharges that requirement. It sets out the responsibilities for managing risk within the IJB, and summarises the work done on the reporting and review of risk during the year.

Appendices	1. Risk Management Annual Report 2020/21
References	Report to the Integration Joint Board 26 June 2018: Risk Management Policy and Strategy
Contact	Kenneth Ribbons, IJB Risk Manager Kenneth.ribbons@westlothian.gov.uk 01506 281573

WEST LOTHIAN INTEGRATION JOINT BOARD RISK MANAGEMENT ANNUAL REPORT 2020/21

17 June 2021



West Lothian
Council



1.0 INTRODUCTION

- 1.1. This report sets out the risk management activities undertaken within the West Lothian Integration Joint Board (IJB) for the financial year ending 31 March 2021.

2.0 RISK MANAGEMENT POLICY AND STRATEGY

- 2.1. The IJB approved its Risk Management Policy and Strategy on 26 June 2018.
- 2.2. The IJB's policy on the management of risk is to "effectively mitigate risks to the achievement of its objectives by implementing robust risk management strategies, policies and procedures, which enable managers to effectively identify, assess, and mitigate risk".

3.0 RESPONSIBILITIES

- 3.1. The IJB's Risk Management Strategy sets out responsibilities for managing risks. The IJB's Chief Officer is responsible for ensuring that risks to the IJB's objectives are effectively identified, managed and mitigated.
- 3.2. In doing so the IJB's Chief Officer is assisted by the Senior Management Team which:
- identifies and assesses risks to the IJB's objectives and ensures that these are effectively managed;
 - monitors progress in managing risks, including the effectiveness of internal controls and progress in relation to risk actions;
 - reviews risk management training and development needs.
- 3.3. The IJB's risk manager is responsible for ensuring that arrangements are in place within the IJB to enable managers to effectively discharge their responsibilities by:
- preparing and maintaining procedures on risk management;
 - maintaining the IJB's risk register;
 - providing advice, support and training on risk management.
- 3.4. The IJB and the IJB Audit, Risk and Governance Committee are responsible for exercising oversight over risk management by approving the Risk Management Policy and Strategy and monitoring the effectiveness of the management of risk.

4.0 RISK REVIEW

- 4.1. The IJB's risk register is held on the Pentana system. The IJB's risk register contains eight risks which are summarised in the attached appendix.
- 4.2. The Risk Management Strategy requires the IJB to conduct an annual review of its risks. This requirement was discharged by the IJB Chief Officer's report to the IJB of 10 November 2020.
- 4.3. The Risk Management Strategy requires the IJB's Audit, Risk and Governance Committee to review the IJB's risks twice per annum. The Committee considered all of the IJB's risks at its meetings on 9 September 2020 and 24 February 2021. At the Committee's request the IJB's high risks were also considered by it on 27 May 2020 and 2 December 2020.
- 4.4. The Strategy requires that the IJB's Senior Management Team review the risks every two months and it is confirmed that risks have been reported to the IJB Chief Officer and

Senior Management Team on a regular basis throughout the year. The risks, their descriptions, scores, internal controls, and risk actions, have been reviewed and discussed and where considered appropriate, revised.

- 4.5. The Covid-19 pandemic has not had an impact on risk management activities. The council's risk management application, Pentana, remained accessible throughout the year and communication tools including e-mail and videoconferencing were used as necessary.

5.0 TRAINING

- 5.1. No training was delivered during the year. Post year end, on 27 April 2021, a risk management workshop was delivered by NHS Lothian risk management staff for Senior Management Team members. Following this, further consideration is being given to training needs during 2021/22.







6.0 CONCLUSION





- 6.1. Appropriate risk management arrangements are in place in accordance with the approved Risk Management Policy and Strategy.





Kenneth Ribbons
IJB Risk Manager


Appendix 1 IJB Risks


Traffic Light: Red 2 Amber 3 Green 3

Risk Title	Risk Description	Original Risk Score	Original Traffic Light Icon	Current Impact	Current Likely	Current Risk Score	Current Traffic Light Icon
IJB004 Inadequate Funding to Deliver the Strategic Plan	Financial implications of Covid-19 are not met by additional funding provided by Scottish Government. Core funding provided by partner bodies is inadequate, or is not effectively prioritised, including through the development of financial recovery plans, leading to failure to achieve a sustainable budget position and meet strategic objectives.	25		4	3	12	
IJB002 Failure to effectively implement the Strategic Plan	The Strategic Plan sets out how the IJB intends to deliver the nine national health and wellbeing outcomes through our strategic priorities and transformational change programmes. Failure to effectively develop and implement strategic commissioning plans for specific care groups within medium term financial planning framework may lead to key objectives not being achieved. The Covid-19 pandemic is likely to impact full delivery of the plan and is likely to delay the timeframe of some actions outlined in supporting strategic commissioning plans.	20		3	4	12	
IJB006 Workforce Planning	Lack of effective workforce planning leading to a failure to develop a sustainable workforce which has an adverse impact on performance and the ability of the IJB to achieve its strategic objectives.	12		3	3	9	

Risk Title	Risk Description	Original Risk Score	Original Traffic Light Icon
IJB007 Sustainability of Primary Care	There is a risk that GP service provision will be disrupted, restricted or unavailable because of increasing capacity and demand issues as a result of population growth and/or GP practices experiencing difficulties in recruitment, retention or absence of medical staffing leading to significant capacity issues and inadequate and insufficient service provision.	16	
IJB008 Delayed Discharge	There is a risk that patients are not being discharged in a timely manner resulting in suboptimal patient flow, impacting on poor patient and staff experience and poorer outcomes of care.	16	
IJB001 Governance Failure	Appropriate internal processes and procedures are either not in place or are ineffective, leading to a lack of leadership, accountability or scrutiny, resulting in a failure to meet key objectives, financial overspends or reputational damage.	15	
IJB003 Inadequate Performance Management	Processes for the review and scrutiny of health and council performance are either not in place or are ineffective, leading to less than robust scrutiny arrangements, and resulting in failure to identify, challenge, or rectify poor performance. Ultimately will have an adverse impact on ability to achieve key objectives.	12	

Current Impact	Current Likely	Current Risk Score	Current Traffic Light Icon
4	2	8	
4	2	8	
3	2	6	
3	2	6	

Risk Title	Risk Description	Original Risk Score	Original Traffic Light Icon
IJB005 Community Planning Failure	Inability to work effectively with partners leading to poorer outcomes. Community Planning officers from the council are represented on the Locality Groups to ensure a partnership approach to working and prevent duplication of effort where possible.	9	

Current Impact	Current Likely	Current Risk Score	Current Traffic Light Icon
3	1	3	

West Lothian Integration Joint Board - Audit Risk and Governance Committee

Action Tracker

	Item of business	Date	Details	Owner	Due	Update to Committee	Status
1	007 - Data Protection Compliance	24/02/2021	Chief Officer to start a dialogue with fellow Chief Officers in the Lothian area with regards to a collaborative approach for the appointment or use of a Data Compliance Officer	Allister Short / Lorna Kemp	17/06/2021	A letter has been issued to council and health board to request support. The council has responded to say they are not in a position to provide this.	Ongoing
2	010 - IJB Internal Audit Plan	24/02/2021	Chief Officer seek clarity from fellow Chief Officers/Chief Finance Officers in the Lothian area to discuss the offer from NHS Lothian about assisting IJB's with internal audits and to report back to the June meeting with a recommendation	Allister Short / Patrick Welsh	17/06/2021	The NHS Lothian chief internal auditor has proposed that a specific time allocation be provided within the NHS Lothian internal audit plan for each IJB. In terms of a specific topic, the IJB Internal Auditor has proposed to consult with the new WL IJB Chief Officer once they are in post.	Ongoing



WORKPLAN FOR WEST LOTHIAN INTEGRATION JOINT BOARD AUDIT RISK AND GOVERNANCE COMMITTEE

Date of Meeting	Agenda Setting	Title of Report	Lead Officer	Action
17 June 2021	25 May 2021			MSTeams Virtual Meeting
		IJB High Risks	K Ribbons	
		Risk Management Annual Report	K Ribbons	
		Internal Audit Annual Report (inc review of system of internal control)	K Ribbons	
		Annual Governance Statement	J Millar	
		Governance Issues – Update	J Millar	
		Best Value Framework – Annual Compliance Report	P Welsh	
		Internal Audit report(s) - TBC	K Ribbons	
		External audit/scrutiny report(s) - TBC	A Short	
		Running Log of Actions	L Kemp	
8 Sept 2021				Venue - tbc
		Review of Best Value Protocol	K Ribbons	
		IJB Risk Management	K Ribbons	
		Self-Assessment Questionnaire	L Kemp	

Date of Meeting: 17 June 2021

Agenda Item: 16

		Audited Accounts (inc external audit report)	P Welsh	
		Corporate Governance Annual Report	J Millar	
		Internal Audit report(s) - TBC	K Ribbons	
		External audit/scrutiny report(s) - TBC	A Short	
		Running Log of Actions	L Kemp	

REPORTING CYCLE FOR WEST LoTHIAN INTEGRATION JOINT BOARD AUDIT RISK AND GOVERNANCE COMMITTEE

WHAT	WHEN	WHY	LAST	NEXT
AUDIT				
External Audit Annual Plan	Annual	Audit Scotland guidance	Mar 20	Feb 21
Internal Audit Annual Plan	Annual	PSIAS and Internal Audit Charter	Mar 20	Feb 21
Internal Audit Annual Report including review of system of internal control	Annual	Accounts Regulations; PSIAS; Internal Audit Charter; IJB, 24 September 2018	Jun 19	Jun 21
Review the internal audit charter	Quinquennial	Accounts Regulations 2014; PSIAS; IJB, 6 January 2017	Jan 17	Feb 21
External assessment of conformance with PSIAS	Quinquennial	PSIAS; Internal Audit Charter; IJB, 6 January 2017	Mar 17	Mar 22
RISK				
IJB Risk Register	Biannual	Risk Management Strategy; IJB, 26 June 2018	Mar 20	Sept 20
IJB High Risks	Biannual	Risk Management Strategy; IJB, 26 June 2018	Dec 19	Jun 20
Risk Management Annual Report	Annual	Risk Management Strategy; IJB, 26 June 2018	Jun 19	Jun 20
Review of Risk Management Strategy and Policy	Quadrennial	Risk Management Strategy; IJB, 26 June 2018	Jun 18	Jun 22
FINANCE				
Audited Accounts, including external audit report	Annual	IJB, 24 September 2018	Sep 19	Sept 20
Review of Best Value Protocol	Biennial	IJB, 24 September 2018	Sep 18	Sept 20
Best Value Protocol Compliance Statement	Annual	IJB, 24 September 2018	Jun 19	Jun 20

WHAT	WHEN	WHY	LAST	NEXT
GOVERNANCE				
Corporate Governance Annual Report	Annual	CIPFA/SOLACE Framework; IJB Code of Corporate Governance; IJB, 1 May 2018	Sept 19	Sept 20
Update on Governance Issues	Biannual	IJB, 10 September 2019		Dec 20
Review of Standing Orders, Scheme of Delegation and Committee Remits	Biennial	IJB, 21 January 2020	Jan 20	Jan 22
Annual Governance Statement	Annual	IJB, 24 September 2018	Jun 20	Jun 21
Review of Code of Corporate Governance	Biannual	IJB, 10 September 2019	Sept 19	Sept 21
OTHERS				
Meetings Timetable	Annual	IJB and AR&GC practice	Mar 20	Feb 21
Self-Assessment Questionnaire (Issue)	Annual	AR&GC, 12 September 2018	Sept 19	Sept 20
Self-Assessment Questionnaire (Results)	Annual	AR&GC, 12 September 2018	Dec 19	Dec 20