

MINUTE

|                 |                                                 |
|-----------------|-------------------------------------------------|
| <b>MEETING:</b> | <b>PERFORMANCE, FINANCE AND AUDIT COMMITTEE</b> |
| <b>DATE:</b>    | <b>WEDNESDAY 1<sup>ST</sup> AUGUST 2018</b>     |
| <b>TIME:</b>    | <b>10.30AM</b>                                  |
| <b>VENUE:</b>   | <b>ARRAN ROOM, CIVIC CENTRE</b>                 |

|                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|-------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>PRESENT :</b>  | <p><b>North Lanarkshire Council:</b> Councillors Gallacher, Linden, Kelly and Logue.</p> <p><b>NHS Lanarkshire:</b> Dr. A. Osborne (Chair), M Fuller, and M. Morris.</p> <p><b>Stakeholder Representatives:</b> H Robertson, North Lanarkshire Carers Together, L Seaton, Partnership for Change &amp; J Watson, Unison</p> <p><b>IN ATTENDANCE</b><br/>J Hewitt, CAO, R McGuffie, Head of Performance, Planning and Quality Assurance, M Moy, Chief Finance Officer, J Melville, Vanl, T Moan, Partnership for Change, G Cowan, Performance Manager, K Adamson, Head of Audit &amp; Inspection, NLC and C Jack, Committee Secretary.</p> |
| <b>APOLOGIES:</b> | Cllr Alan Stubbs ( Cllr Jordan Linden attending as proxy), Phil Campbell                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |

**1. DECLARATIONS OF INTEREST IN TERMS OF THE ETHICAL STANDARDS IN PUBLIC LIFE ETC. (SCOTLAND) ACT 2000**

Councillor Gallacher declared an interest by reason of her being Convener of the Council's Audit and Scrutiny Panel and advised that none of the items of business precluded her from participating in the meeting.

## 2. MINUTES OF THE PREVIOUS MEETING HELD ON 2<sup>ND</sup> MAY 2018

The minute of the previous meeting was approved as an accurate record.

## 3. COMMUNITY CAPACITY BUILDING AND CARER SUPPORT

Jacqui Melville, Service Manager, VANL made reference to her End of Year Report 2017/18 and Community Capacity Building and Carer Support Strategy 'Softening the Lines' that had been circulated to Committee members. Discussion followed on the expenditure of IJB funding and assurance was sought around the governance framework established by VANL in linking with other third sector organisations.

The Chair thanked J Melville for such a comprehensive report and forward plan.

**Decided :** (1) The committee noted the end of year report and (2) endorsed the approach outlined in the CCB&CS 5 Year Strategy which details a commitment to taking a more strategic, longer term approach to investment in the Third Sector in their delivery of preventative, low-level supports which promote self-management, choice and control and lead to people having fuller more independent lives

## 4. TRANSFORMING MENTAL HEALTH IN LANARKSHIRE

As part of the Mental Health Strategy 2017-2027, Scottish Government Ministers made a commitment to provide funding to support the employment of 800 additional mental health workers to improve access in key settings such as Accident and Emergency departments, GP practices, police station custody suites and prisons. The detail is set out in Action 15 of the Mental Health Strategy. The funding will be available from this year; £12 million, and will rise to £35 million in 2021-22.

Scottish Government have asked that Integration Authorities each develop a plan by 31 July 2018 that sets out goals for improving capacity in the settings outlined in Action 15 of the Mental Health Strategy. The committee noted that a programme plan has been developed for Lanarkshire that sets out:

- How Lanarkshire's programme of work contributes to the broad principles set out in the funding letter (23<sup>rd</sup> May, 2018) related to local Improvements;
- How the programme takes account of the views of local Justice and other Health partners in regarding the projects and what improvements should be introduced
- How the programme fits with other local plans currently in development, such as Lanarkshire Primary Care Improvement Plan, 2018 which represents a programme approach to the implementation of the GMS Contract, 2018.

Discussion followed on how the additional funding would be measured in terms of impact on more vulnerable groups given that the aspirations were longer term. Third sector engagement in the work programmes was highlighted and R McGuffie advised that a full Programme Structure was being established to take forward the transformation plan.

**Decided:** (1) that the committee approve the programme of work 'Transforming Mental Health in Lanarkshire' (2) that the committee note the requirement to comply with the funding letter content received 23<sup>rd</sup> May 2018.

## 5. ANNUAL PERFORMANCE REPORT 2017/2018

The Public Bodies (Joint Working) (Scotland) Act 2014 requires the Integration Joint Board To publish an Annual Performance Report, setting out an assessment of performance in planning and carrying out those functions for which it is responsible. A set of core integration indicators have been developed and partnerships are required to report against these in their Performance Reports. Data should be included for both the year which the report covers, and the 5 preceding years, or for all previous reporting years, if this is less than 5 years. This requirement only relates to reporting years, the first of which was 2016/17. The 2017/18 report therefore covers performance for 2017/18 and 2016/17.

- i) Decided: That the contents of the report and its appendix be noted.

The Chair thanked the Chief Accountable Officer and the wider team for their efforts in producing the report by the due date and for the work throughout the year that is demonstrated throughout the report in terms of a high level of performance and achievement.

## 6. MEASURING PERFORMANCE UNDER INTEGRATION – MINISTERIAL STEERING GROUP

R McGuffie made reference to the paper that provides an update on each of the six priorities for 2017/18, and an assessment of progress against each of our agreed trajectories

The Scottish Government had established a framework to provide quarterly progress updates to the Ministerial Strategic Group for Health & Community Care covering six agreed priorities that support the ambitions set out in the Scottish Government's Health and Social Care Delivery Plan. These priorities are:

Number of emergency admissions into acute specialties

- a. Number of unscheduled hospital bed days
- b. Number of A&E attendances and the number of patients seen within 4 hours
- c. Number of delayed discharge bed days
- d. Percentage of last six months of life spent in the community
- e. Percentage of population residing in non-hospital setting for all adults and people aged 75+.

The framework has been developed and updated by the Scottish Government (SG) and COSLA in partnership with a small working group comprising of lead officers for strategic commissioning and performance in Integration Authorities (IAs), Chief Finance Officers, and data analysts. The Scottish Government and COSLA wrote to Integration Authorities in November 2017 asking each IA to share details of how they expect activity to change under each indicator in the future, focusing up until the end of 2018/19 as a minimum.

Discussion followed on some of the challenges around unscheduled care activity and R McGuffie highlighted the findings from previous reviews of the data on frequent attenders and the impact on the importance of effective front door triage.

**Decided :** (1) that the contents of the report be noted

## **7. RISK REGISTER**

R McGuffie made reference to the report that highlighted the outputs from a recent review of the IJB Risk Register at a risk workshop held in May 2018. It was noted that NHS Lanarkshire has reviewed its risk appetite to medium and has introduced a new self-assessment tool to support officers to more accurately rate risks, review more thoroughly and ensure the risk register is a genuinely active tool used to support decision making. The operational social work register is being finalised in line with the developing risk strategy within North Lanarkshire Council. A Social Work risk workshop took place on 17<sup>th</sup> May 2018.

Decided: that the Committee approve the amendments to the IJB risk register and note the ongoing development and review of risks associated with Health & Social Care North Lanarkshire

## **8. FINANCIAL MONITORING REPORT 2018/2019**

The Financial Monitoring Report 2018/19 was tabled for information. The report provided a summary of the financial position of the North Lanarkshire Health and Social Care Partnership (HSCP) for the period from 1 April 2018 to 30 June 2018 (Health Care Services) and 22 June 2018 (Social Work and Housing Services).

The financial position as at June 2018 is an underspend of £0.524m and summarised as follows:

- ◆ an underspend of £0.452m on health care services
- ◆ an underspend of £0.072m on social care services

Details of the variances were provided in the appendix to the report. Discussion followed around the position on Financial Reserves and clarity on what remained as uncommitted reserve funding.

Decided: It was agreed that, as committee members hadn't had the opportunity to review the paper in detail before the meeting, that any further comments and queries should be directed to M Moy. The contents of the report were otherwise noted.

## **9. INTERNAL AUDIT REPORT – UPDATE**

Marie Moy made reference to the report that provided details of the strategic and operational planning internal audit assignment undertaken as part of the 2017/2018 internal audit plan for the Integration Joint Board (IJB). The internal auditors concluded that the audit offered 'substantial assurance'. This means that sound systems for risk, control and governance are in place and should be effective in mitigating risks to the achievement of business and control objectives. Some minor improvements to existing controls in a few areas may be required. A small number of issues therefore were identified where internal audit consider that there is scope for improvement. These areas are further detailed in the recommendations which have been agreed by the senior management team.

M Moy highlighted the process for formal sign off by the IJB for the reporting period.

Decided: That the contents of the report be noted.

## **10. MINUTES OF THE SUPPORT, CARE AND CLINICAL GOVERNANCE COMMITTEE**

The minutes of the Support Care & Clinical Governance Committee held on 14<sup>th</sup> June 2018 were noted and C Jack highlighted some key issues. A more detailed report on the work of the committee would be presented at the next meeting of the Performance, Finance & Audit Committee.

**11. AOCB**

Cllr Linden raised an issue around a recent report on Care Experienced Young people which seemed to highlight that NLC had not provided information in response to a Freedom of Information Request related to the evidence gathering which featured in the report.

Decided: CAO to ask the Chief Social Work Officer to investigate and respond to Cllr Linden.

**12.** The date of the next meeting was noted as being Wednesday, 3<sup>rd</sup> October 2018, Committee Room 1, Civic Centre, Motherwell

MINUTE

|                 |                                                                                 |
|-----------------|---------------------------------------------------------------------------------|
| <b>MEETING:</b> | <b>AN EXTRAORDINARY MEETING OF THE PERFORMANCE, FINANCE AND AUDIT COMMITTEE</b> |
| <b>DATE:</b>    | <b>TUESDAY, 4<sup>TH</sup> SEPTEMBER 2018</b>                                   |
| <b>TIME:</b>    | <b>12.30PM</b>                                                                  |
| <b>VENUE:</b>   | <b>COUNCIL CHAMBERS, CIVIC CENTRE</b>                                           |

|                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|-------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>PRESENT :</b>  | <p><b>North Lanarkshire Council:</b> Councillors Gallacher, Stubbs, Kelly and Logue.</p> <p><b>NHS Lanarkshire:</b> Dr. A. Osborne (Chair), and M. Fuller, P Campbell and M. Morris.</p> <p><b>Stakeholder Representatives:</b> H Robertson, North Lanarkshire Carers Together, L Seaton, Partnership for Change &amp; J Watson, Unison</p> <p><b>IN ATTENDANCE</b><br/>J Hewitt, CAO, R McGuffie, Head of Performance, Planning and Quality Assurance, M Moy, Section 95 Officer, K Adamson, Head of Audit &amp; Inspection NLC and C Jack, Committee Secretary.</p> |
| <b>APOLOGIES:</b> | P. Campbell.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |

**1. DECLARATIONS OF INTEREST IN TERMS OF THE ETHICAL STANDARDS IN PUBLIC LIFE ETC. (SCOTLAND) ACT 2000**

Councillor Gallacher declared an interest by reason of her being Convener of the Council's Audit and Scrutiny Panel and advised that none of the items of business precluded her from participating in the meeting.

**2. INTERNAL AUDIT ANNUAL REPORT 2017/2018**

K Adamson made reference to the Internal Audit Annual Report for the financial year 2017/2018 which also contained the independent annual opinion of the IJB's Chief Internal Auditors on the

adequacy and effectiveness of the IJB's governance, risk management and internal control arrangements for the year ending 31 March 2018.

The Internal Audit Annual Report contained a high-level overview of the activity undertaken by the Internal Audit teams during the year before highlighting a number of the more significant issues which arose from their work and which are reflected in the annual opinion.

Based on the work undertaken directly on behalf of the IJB and being informed by internal audit of work undertaken independently within NLC and NHSL, the internal auditors concluded that reasonable assurance can be placed upon the adequacy and effectiveness of the IJB's framework of governance, risk management and internal controls for the year ending 31 March 2018.

Decided: That the contents of the report be noted and that 2. The committee endorsed the opinion of the Chief Internal Auditors that reasonable assurance can be placed upon the adequacy and effectiveness of the IJB's framework of governance, risk management and internal control for the year ended 31 March 2018.

### **3. EXTERNAL AUDITORS ANNUAL AUDIT REPORT 2018/2018**

The IJB's appointed external auditor, Audit Scotland, is required to supply an audit certificate outlining the findings of the audit process undertaken in relation to the IJB's Annual Accounts 2017/2018. The findings of the audit process are detailed in the External Auditor's Annual Audit Report for the financial year 2017/2018 which was circulated to committee members.

The Audit Report on the IJB's Annual Accounts extends across a number of subjects, as follows:

- 2017/2018 Annual Report and Accounts;
- Financial Management and Sustainability; and
- Governance, Transparency and Value for Money.

The External Auditor has concluded that the financial statements of the North Lanarkshire IJB for 2017/2018 give a true and fair view of the state of affairs and of its net expenditure for the year and have therefore issued an unqualified independent auditor's report.

Details of the proposed management response to the action points on page 18 of the External Auditor's Annual Audit Report were noted

Decided : That the contents of the report be noted; (2) that a clean audit certificate in respect of the IJB's Annual Accounts 2017/2018 has been received; (3) that the External Auditor's Annual Audit Report has been reviewed in advance of the statutory timescale of 30 September 2018 for the approval of the IJB Annual Accounts; and (4) that the management response to the action points contained within the External Auditor's Annual Audit Report have been approved

### **4. AUDITED ANNUAL ACCOUNTS 2017/2018**

The Annual Accounts 2017/2018 were prepared in accordance with the requirements of the Local Government (Scotland) Act 1973 and the Local Government in Scotland Act 2003. The preparation of the annual accounts also met the statutory deadlines of 30 June 2018 and 30 September 2018. The External Auditor has concluded that the financial statements of the North

Lanarkshire IJB for 2017/2018 give a true and fair view of the state of affairs and of its net expenditure for the year and have therefore issued an unqualified independent auditor's report. The findings of the audit process have also been reported to the IJB and an action plan approved as set out in the External Auditor's Annual Audit Report. Once signed, the audited Annual Accounts 2017/2018 will be advertised as being available to the general public in the office of the Head of Business for Financial Solutions, Council Headquarters, Civic Centre, Motherwell, ML1 1AB. The signed audited Annual Accounts 2017/2018 will also be available on the IJB's website.

**Decided:** That the contents of the report be noted; (2) that the External Auditor's audit opinions are all unqualified in respect of the IJB Annual Accounts 2017/2018; (3) that the IJB Annual Accounts 2017/2018 be signed before the statutory deadline of 30 September 2018; and (4) that the signed audited Annual Accounts 2017/2018 will be advertised as being available to the general public in the office of the Head of Business for Financial Solutions, Council Headquarters, Civic Centre, Motherwell, ML1 1AB and also on the IJB's website.

#### **5. INTERNAL AUDIT PLAN 2018/2019**

The proposed internal audit plan for 2018/2019 was referenced. The plan has been designed to target the priority issues identified by the assessment of risk undertaken by the Head of Audit and Inspection for North Lanarkshire Council (NLC) and the Chief Internal Auditor for NHS Lanarkshire (NHSL). The plan includes the delivery of standard products required each year, and is further based on the professional judgement of the IJB risk environment. The Chief Internal Auditors therefore assessed audit need based on the IJB's own strategic risks taking into account findings from our 2017/2018 internal audit work and benchmarking with other IJBs. A total of 80 days has been included in the 2018/2019 internal audit plans of the parties. Resources to deliver the plan will be provided by the NHSL and NLC internal audit services. Work to deliver the internal audit plan is undertaken under the supervision of the relevant Chief Internal Auditor. The plan is predicated on the basis that operational controls over services are maintained and assured through the parties. The IJB internal audit plan therefore complements the internal audit plans of NHSL and NLC.

**Decided:** (1) that the contents of the report be noted and (2) the proposed Internal Audit Plan for 2018/2019 be approved.

#### **6. CLOSE OF BUSINESS**

The Chair thanked those in attendance for the extraordinary meeting and in particular, thanked the Chief Financial Officer for her efforts in meeting the reporting deadlines in order for the IJB to comply with statutory timescales in approving internal and external audit reports and accounts.