



<b>MEETING:</b>	<b>IJB PERFORMANCE FINANCE &amp; AUDIT COMMITTEE</b>
<b>DATE:</b>	<b>TUESDAY 25<sup>TH</sup> MAY 2021</b>
<b>TIME:</b>	<b>2.00pm</b>
<b>VENUE:</b>	<b>MS TEAMS</b>

<b>PRESENT :</b>	<p><b>NHS Lanarkshire:</b> Mr B Moore (Vice Chair), Dr A. Osborne,</p> <p><b>North Lanarkshire Council:</b> Councillors P Kelly (Chair), and C Barclay</p> <p><b>Stakeholder Representatives:</b> Mrs L Seaton, Partnership for Change (service user representative), Mrs C McGinty (staff side representative), Mr J Watson</p> <p><b>Board Members:</b> Mr R McGuffie, Chief Officer; Miss M Moy, Finance Officer (S95); Ms M Dendy, Head of Planning, Performance &amp; Quality Assurance</p> <p><b>IN ATTENDANCE</b>          Ms G McCredie, Senior Auditor, Audit Scotland; Dr L Munro, Medical Director; Mrs T Marshall, Nurse Director; Mrs C Jack, IJB Board Secretary; Mrs J Arthur, IJB Admin Support; Ms D Fraser, Head of Adult Social Care; Mr K Adamson, Audit &amp; Risk Manager, NLC; Mr A Boyle, Non-Executive Director, NHSL; Ms P MacLeod, General Manager, Mental Health Services; Mrs S Simpson, Organisation Development Lead; Mr G McLaughlin, Head of Education (North), Education &amp; Families</p>
<b>Apologies:</b>	Mr P Campbell , Mr H Robertson, Ms M Halliday, Cllr J Linden, Ms M Morris

<p><b>1. Welcome and Apologies</b></p> <p>The Chair welcomed everyone to today's meeting, and thanked the team for their continued hard work during the ongoing pandemic.</p>
<p><b>2. Declarations of Interest</b></p> <p>No declarations of interest were noted.</p>
<p><b>3. Minutes - Performance, Finance &amp; Audit Committee 04.11.20</b></p> <p>Minutes approved.</p>
<p><b>4. Matters Arising – Action Log</b></p> <p>Mrs C Jack shared the updated action log, setting out the status of each action, advising of those complete, those on today's agenda and those that would be carried forward to future meetings. Ms Jack further noted the following –</p> <ol style="list-style-type: none"> <li>1. In relation to Action 1, an update on CAMHS was provided at the last PF&amp;A. There is a further action to produce a timescale for the deep dive and this action will be taken forward by PF&amp;A &amp; remain on the action log until complete.</li> <li>2. In relation to Action 2, a report on the Reserves Strategy will be taken to the IJB in June 2021.</li> <li>3. In relation to Action 3 on Fairer Scotland Duty – further work is planned towards the end of 2021 linking with other partners via a separate seminar.</li> </ol> <p>The Committee received assurance that all actions are being followed up with updated scheduled for future PF&amp;A meetings.</p>
<p><b>4. Covid – 19 Update</b></p> <p>Mr McGuffie shared a paper setting out the actions taken to date during the pandemic response and highlighted the current position around Covid positive inpatients, care home outbreaks and vaccinations. At this point in time, the new variant has had no significant impact in terms of hospitalisations and severe illness though is considered more transmissible. Work in North Lanarkshire is focussing on proactive testing and proactive vaccinations.</p> <p>Mr B Moore welcomed the update, acknowledging it was an evolving situation with a need to be alert to issues emerging around younger people and ensuring they are taking the vaccination. Mr McGuffie advised that following concerns around the increasing DNA rate, not just in Lanarkshire, work was ongoing to open up booking portals so that 18 to 30 year olds could self-refer. National and local campaigns were being advertised to encourage uptake in younger age groups. Following negative press reports around the AstraZeneca vaccine, there was national work to identify why people were being put off. Dr Munro confirmed that mop up sessions will also be offered to encourage attendance from those who had not attended appointments.</p> <p><b>Decided: The PFA agreed the following recommendations:</b></p> <ul style="list-style-type: none"> <li>• Noted progress made during the pandemic response.</li> <li>• Requested further updates in due course.</li> </ul>
<p><b>5. Progress on Implementation of Lanarkshire Mental Health &amp; Wellbeing Strategy</b></p>

Ms P MacLeod provided a progress update on Getting it Right for Every Person, a Mental Health & Wellbeing (MH&WB) Strategy for Lanarkshire which was launched in October 2019. Despite the majority of the project groups being stood down due to Covid, Mental Health, Learning Disability and Addictions services have continued. Services quickly adapted to the pandemic during the first wave using remote consultation methods where possible, and learning helped with preparations for the second wave. Meetings of the MH & WB Strategy Board recommenced in January 2021 to restart the strategy implementation. The updated governance structure for implementation was shared highlighting the whole system, population health approach. The work of the Communications and Engagement Reference Group has also recommenced. Ms MacLeod reminded the group of the 4 main workstreams within the programme and the report gave an overview of the work being done.

- Good Mental Health for All
- Improving Access to Mental Health Support and Services
- Children and Young People Mental Health & Wellbeing – fully integrated in the North Lanarkshire and South Lanarkshire Children’s Services Plans
- Specialist Mental Health Services

In addition, the programme team has also been supporting implementation of the national Dementia Strategy. A stakeholder event took place in October 2020, the aim of which was to reflect on progress, take stock of the position in the wake of Covid, reaffirm the ambitions of the strategy and review governance and engagement arrangements. From feedback, going forward it was identified that we need to be clear on how we use community assets best, what resources are available, identify more link workers and ensure Carers have a higher profile.

The Scottish Government has set out a Mental Health Transition & Recovery Plan which lays out a comprehensive set of actions to respond to the mental health needs arising from the pandemic. Funding will be allocated though it was not yet known if this will be recurring and some of the funding will be to specifically look at CAMHS and Psychological Therapies Waiting Times.

Next steps are to -

- Review the implementation plan for the Mental Health and Wellbeing Strategy in light of the National Mental Health Transition and Recovery Plan.
- Review delivery plans for all projects and workstreams to respond to changes in the programme and project environments including new government priorities, initiatives and strategies, and the impact of COVID-19
- Fully define cross-cutting workstreams and develop 3-year delivery plans.
- Complete an Achievement Framework that will link the contributions made by projects and workstreams to the achievement of short and long term outcomes and benefits and identify measures to evaluate impact and report on performance.
- Ensure that, in developing our delivery plans, we incorporate the high level intentions of the Strategy in relation to trauma-informed practice, good mental health for all, reducing health inequalities and take a rights-based approach to addressing mental health stigma and discrimination as a key principle throughout all workstreams within the Strategy.
- Complete Equality and Diversity Impact Assessments for all projects and new service developments

Cllr Kelly thanked Ms MacLeod for a full and comprehensive report.

Mr Moore welcomed the recommencement of the work and how this would sit in terms of governance and the existing board structure. Mr McGuffie advised structure exercises had taken place with the team looking at objectives and what planning structures were necessary across the partnership. The existing boards were longstanding and a good mechanism but consideration was being given to moving to a more flexible model e.g. Task & Finish Groups. Participation & Engagement was always a focus within these boards, including service user and carers, so discussion with them would be needed on how to take this forward. This would be brought back to a future meeting.

Dr Osborne commended Ms MacLeod and Dr Daly on a very robust report, noting it was reassuring to see that the MH&WB strategy was being reinvigorated. As North Lanarkshire was the lead authority for the Strategy, Dr Osborne asked for clarity around onward governance, reporting and timelines. Mr McGuffie confirmed this would be set out very clearly in the Programme of Work paper on the agenda for the IJB meeting in June.

Cllr Kelly raised the recruitment of Community Link workers. Ms MacLeod confirmed they were a great asset, providing people with support at an early stage was extremely important.

**Decided: The PFA agreed the following recommendations:**

- Noted that meetings of the Lanarkshire Mental Health and Wellbeing Strategy Board and other implementation groups, which were halted in March 2020, have been re-started.
- Noted that in restarting implementation of the Strategy, we will look to move forward and take advantage of the opportunities and experiences of working in different ways rather than necessarily, by default, return services to the way were delivered pre-COVID.
- Noted that the Strategy Implementation Plan will be reviewed to ensure that it builds on our recovery plans, aligns with the National Mental Health Transition and Recovery Plan, and focuses our recovery efforts on the objectives set out in the Strategic Commissioning Plan, taking account of the “new normal”.
- Noted that an Achievement Framework will be finalised that will link the improved capability delivered by projects and workstreams to the achievement of short and long term outcomes and benefits and identify measures to evaluate impact.
- Noted that there will be alignment to this regular reporting on progress and performance will be established.

**7. Education & Families MH, Wellbeing and Resilience Plan**

Mr G McLaughlin shared a report and relevant appendices, providing an update on the progress of the Mental Health, Wellbeing and Resilience Delivery Plan within Education and Families to help address the growing concerns of mental health in children and young people. It further highlighted the developments around Suicide Prevention, Critical

Incidents, a Wellbeing Quality Framework and Outdoor Education. Key points noted included -

1. Cluster working which was really important with agencies coming together and focussing on vulnerable children. Mr McLaughlin had a key role in this work with daily meetings taking place to ensure those children were being looked after, linking with other agencies.
2. Multi-Factorial Assessment & Measurement Tools being used to measure progress.
3. Self-evaluation – a huge amount of work is being done to capture current work and to better understand the improvement needs.
4. Staff wellbeing is also a key priority.
5. Outdoor education – The centre at Kilbowie had closed but a programme is being implemented at Strathclyde Park.
6. Critical incidents procedures – need to ensure there are robust procedures to support schools.
7. Suicide prevention – Lifelines Lanarkshire resource which helps staff in all settings working with children and young people to recognise signs of suicide risk and how to respond.
8. Wellbeing Quality Framework – it has been proposed to develop this to measure progress across partnership arrangements that are key to the delivery of effective children's services.

Members welcomed this thorough and interesting report and discussion followed.

- Mr Moore asked how Lifelines Lanarkshire would be taken forward. Mr McLaughlin advised this was a pan Lanarkshire piece of work with a team working to develop the programme.
- Mr Boyle asked if there was a difference between schools in deprived areas against those that were not. Mr McLaughlin noted that level of need varied with the questionnaire potentially showing up hotspots but, to date, nothing had been flagged specifically in relation to deprivation.
- In relation to Lifelines, Dr Osborne was interested in whether there was preparation training for those who did not have professional qualification and how to interconnect the various strands. Mr McLaughlin advised that Lifelines would be the first step with a whole system, joined up approach to take forward. He advised there had been recent training for Head Teachers. Mr McGuffie noted the importance of this beside CAMHS, highlighting massive importance on a lower level and preventative work. Further updates on CAMHS recovery work would come to future meetings
- Cllr Barclay noted only a 60% response rate in high schools. Mr McLaughlin noted that secondary school pupils must be in school and on the system to complete. The closing date was 28<sup>th</sup> May so it was hoped that the final figure would be higher. This would be reported to the next Education & Families committee.

**Decided: The PFA agreed the following recommendations:**

- Noted the content of the report.

**8. Alcohol & Addiction Services – update on new funding & associated developments**

Ms M Dendy shared a report providing an update on the financial outturn for 2020/2021 for the North Lanarkshire Alcohol and Drug Partnership (NLADP), highlighting the key actions being progressed to implement the Ministerial priorities and outlining the

development of the Investment Plan in respect of the Programme for Government Funding.

The following actions have been taken to progress the NLADP response locally:

- (1) The NLADP Strategic Lead has been appointed and is now in post.
- (2) The NLADP Board and supporting structures have been strengthened by the introduction of an NLADP Finance Sub Group.
- (3) The development of the NLADP Strategic Plan and the supporting Investment Plan are being progressed and will incorporate the findings from the scoping study which was undertaken by Scottish Families Affected by Alcohol and Drugs, the Scottish Drugs Forum findings from the two day Staying Alive events and the lived experience of people in North Lanarkshire.

The report went on to detail the funding for the services which is expected to be increased nationally by £10m. The NLADP finance sub group creates structure in relation to transparency and financial monitoring arrangements are robust. A specific ADP risk register will be brought to a future PF&A meeting.

Ms C McGinty acknowledged that there was a small working party looking at accommodation issues and associated risks around this but it had not been reflected in the paper. Ms Dendy agreed to look at this.

Ms Dendy confirmed now that the strategic lead has been appointed, she was confident that further detail including that on timelines would be included in the next cycle of meetings.

**Decided: The PFA agreed the following recommendations:**

- Noted the content of the report.
- Noted the key actions to support the strategic direction and development of the Investment Plan.
- Noted that the NLADP Risk Register will be progressed and reported to a future meeting of the PFA for consideration and approval.
- Noted that the 2021/2022 NLADP Strategic Plan and Investment Plan will be presented to a future meeting of the PFA and IJB following confirmation of the total financial envelope available including the Scottish Government funding for 2021/2022 and the ring-fenced and ear-marked reserves.

**9. Improving Cancer Care Journey**

Ms Dendy provided an update on the application to Macmillan Cancer Support to access funding of £2m to improve the cancer journey across Lanarkshire.

There is an opportunity in North Lanarkshire to align the ICJ approach to the Community Solutions work led by VANL. Community Solutions is a pioneering, community led, health and social care investment programme operating across North Lanarkshire focused on building communities where people can have full, independent lives. Macmillan Cancer Support have offered the Lanarkshire HSCPs funding totalling £2m (further detail contained in report) to implement the Improving Cancer Journey approach. Of the £2m

being provided by Macmillan Cancer Support, £1m is being provided directly by Macmillan Cancer Support and £1m is being match funded by the Scottish Government. All of the funding is being administered by Macmillan Cancer Support.

In order to maximise the beneficial outcomes of the ICJ investment and to maintain sustainability in the event that recurring funding is not secured from the Scottish Government post 2026, the first stage of the ICJ application will involve detailed scoping through the Community Solutions programme. This is estimated to cost £0.157m (Pay costs - £0.106m; Non-pay costs - £0.051m).

The outcome of the scoping exercise will inform the second stage of the application which will be the further allocation of the available funding totalling £0.652m. In order to comply with the Macmillan Cancer Support financial governance arrangements, the Scottish Government will be asked to approve the two stage approach in respect of the North Lanarkshire IJB application.

Mr A Boyle welcomed the report, highlighting higher incidents and worse outcomes for deprived communities so he was pleased to hear involvement and inclusion mentioned. This was a tremendous opportunity to explore other areas and suggested considering the involvement of local members of the community.

Dr Osborne noted that in terms of governance, the timeline did not allow us to hold this paper until the next IJB and would have meant convening a special IJB hence the paper was tabled today for endorsement. It would be included in the agenda for approval at the next IJB meeting in June. She further noted that the duration of the ICJ programme was expected to be 5 years so caution was needed around this in terms of recurring/non recurring funding.

**Decided: The PFA agreed the following recommendations -**

- Endorsed the acceptance of funding from Macmillan Cancer Support as detailed at paragraph 6.4 to implement the Improving Cancer Journey approach over a five-year period in order to develop the support for people affected by and recovering from a cancer diagnosis and to improve the cancer journey for individuals, their carers, their families and friends;
- Noted that, subject to Scottish Government approval, the North Lanarkshire IJB application will be submitted in two stages in order to allow the approach to be scoped in partnership with VANL.

**10. Quarter 3 Performance Report**

Ms Dendy shared a report which provided an update to the Board on the areas for improvement which have been identified as part of the Quarterly Performance Review for the period 1 October 2020 to 31 December (Quarter 3). The report also gave additional information in relation to the impact of the wider COVID-19 response on our key areas of performance and the next steps for recovery.

The report highlighted the key areas for improvement as noted below and the corrective actions being taken.

1. Alcohol Brief Interventions
2. Breastfeeding

3. Reablement/Home Support
4. CAMHS
5. Psychological Therapies
6. Waiting Times Performance – AHP and Community Services

**Decided: The PFA agreed the following recommendations -**

- Noted the contents of the report and its appendix.

**11. Integration Review**

Mr McGuffie shared the update report and action plan which formed part of the Integration Review process.

Since the last report, the updated Integration Scheme has been out to public consultation, receiving no further comments and has now been submitted to the Cabinet Secretary for final approval. In addition, the Data Sharing Partnership Board has recommenced with updated terms of reference to include supporting information sharing for managers of integrated teams, whilst Microsoft Office 365 roll out is continuing across both organisations.

This leaves the review of operational and strategic finance as the main outstanding area of work to finalise. This action has been delayed due to the Covid-19 pandemic. In addition, work is ongoing to update the meeting structures within the HSCP, which is now at an advanced stage as part of the new structure roll out and development of the Programme of Work.

Regular update reports will be provided to the IJB Sub-Committee until its conclusion.

**Decided: The PFA agreed the following recommendations -**

- Note the action plan agreed as part of the Integration Review process
- Request updates on progress in due course.

**12. PF&A Risk Register**

Ms Jack shared a report providing an overview on risk management activity relevant to the Committee's remit noting any amendments or additions to the current risk register. Ms Jack advised that at the last meeting of the PF&A, the financial risks were reviewed. It was recommended that the rating for the risk relating to the Financial Implications of Responding to Covid -19 Pandemic be increased from high to very high following review by the IJB Chief Financial Officer.

In general, work will continue to monitor the risks.

**Decided: The PFA agreed the following recommendations -**

- Noted the extract from the IJB Risk Register which highlights the risks associated with the remit of the PF&A agenda. (Appendix 1)
- Noted that the Assurance groups identified alongside each risk have continued to meet during the Covid period and are maintaining a focus on assurance reporting.
- Endorsed the recommended changes to the risk register as set out in the change record attached as an Appendix 2.

**13. Progress Report on Agreed Actions**

Ms Moy shared a report which outlined the actions agreed with the External Auditor, the Internal Auditors and the Senior Management Team to further develop the IJB



governance framework. The outcome of the internal audit on the follow up of agreed actions is also reflected in this update.

The progress made to date is summarised at section 6 of the report. 25% of actions were completed on time, 16% were completed overdue, 3% are ongoing and are on time and 56% are ongoing but overdue. Further detail is provided at appendices 1 to 3 of the report.

**Decided: The PFA Committee agreed the following recommendations -**

- Noted the content of the report.
- Noted that further progress reports will be presented to future meetings of the PFA Committee in respect of the actions which are ongoing.

**14. Terms of Reference**

Mr McGuffie presented a report detailing the updated terms of reference for the PFA Committee which were approved by the Integration Joint Board (IJB) on 9 December 2020 and highlighted to the PFA Committee in the action log presented on 17 February 2021.

The amendment to the terms of reference for the PFA Committee was necessary to reflect key role of the North Lanarkshire Council and NHS Lanarkshire staff side representatives and the Third Sector. In order to ensure their contribution is fully recognised and embedded within IJB strategic planning and performance, the stakeholder membership of the PFA Committee was therefore increased from three to five to allow all stakeholders to participate in committee meetings.

**Decided: The PFA Committee agreed the following recommendations -**

- Noted the content of the report.

**15. Financial Monitoring Report**

Ms M Moy shared a report providing a summary of the financial position of the North Lanarkshire Health and Social Care Partnership (HSCP) for the period from 1 April 2020 to 31 March 2021 (Health Care Services) and 31 March 2021 (Social Work and Housing Services).

Ms Moy advised that the original estimate of planned expenditure in 2020/2021 was projected to be £646m (NHSL - £445m; NLC - £201m). The actual expenditure incurred in 2020/2021 was £655m (NHSL - £451m; NLC - £204m). An additional £9m (1.4%) of expenditure was therefore incurred in 2020/2021.

Ms Moy highlighted the total additional Covid-19 related costs which had been incurred during 2020/2021 and also the Scottish Government funding which had been made available. Ms Moy highlighted that our emergency response to the Covid-19 pandemic had been met through redeploying existing staff and some services had to be reduced or stood down. As part of the financial outcome for 2020/2021, effectively £12m of the original budget was therefore not spent on routine core services and because the Scottish Government fully funded all Covid-19 costs, this budget of £12m could be retained, transferred to reserves and allocated to the ongoing response to the Covid-19 pandemic in 2021/2022 and the recovery of services, in particular waiting times.

Taking into consideration the additional Scottish Government funding, Ms Moy summarised the financial year-end outcome as follows:

- there is a net underspend of £2.436m on the core budgets within Health Care Services.
- there is a net underspend of £4.421m in respect of Mental Health and Learning Disability Services which includes Mental Health Action 15 Funding which will be transferred to a ring-fenced reserve.
- there is a net underspend of £1.297m in respect of Addiction Services which includes Alcohol and Drug Partnership Funding which will be transferred to a ring-fenced reserve.
- there is an underspend of £2.500m in respect of prescribing services.
- there is an underspend of £12.375m on the core budgets within Social Care Services.
- there is a net underspend of £0.689m on the core budgets within the Housing Revenue Account (HRA) which will be returned to the NLC partner.
- Covid-19 funding totalling £23.607m was received from the Scottish Government in 2020/2021 of which £21.342m was incurred in 2020/2021 and £2.265m will be transferred to a ring-fenced reserve to meet ongoing Covid-19 costs in 2021/2022.
- Additional funding of approximately £12.385m was received between January 2021 and March 2021, the planned commitments in respect of which will be incurred in 2021/2022. This includes ADP (£0.964m), Mental Health Action 15 (£2.106m), Integration Authority Support (£6.076m), Community Living Fund (£1.298m) and Adult Social Care Winter Plan Funding (1.941m). The total underspend represents approximately 5% of the total financial envelope available.

Ms Moy summarised that the financial position as at 31 March 2021 is a net underspend of £37.680m (NHS - £25.305m; NLC - £12.375m) which will be transferred to the IJB reserves. The North Lanarkshire IJB underspend was 5% of the total financial envelope available. Ms Moy explained that the position at 31 March 2021 was a point in time and that funding received in 2020/2021 was required to plan for and take forward the commitments in 2021/2022 in particular the ongoing response to the Covid-19 pandemic and the recovery and remobilisation of services.

A reconciliation of the financial monitoring reports to the movement on the general fund was also provided at paragraph 6.6. The reasons for the major variances was outlined at section 8 of the report and the under-achievement of savings was highlighted at section 10 of the report. Ms Moy highlighted that slippage in the achievement of planned savings in 2020/2021 was met from the additional Covid-19 funding from the Scottish Government.

Ms Moy advised that the Scottish Government expectation is that we will use reserves funding first before we access further funding from the Scottish Government. The 2021/2022 costs will be monitored as the year progresses.

Ms Moy highlighted the range of financial risks at section 12 and highlighted that transferring the underspend to reserves will help to mitigate these risks.

In summary, Ms Moy concluded that overall, the year-end position at 31 March 2021 provided a degree of certainty in respect of the funding for additional Covid-19 related costs in 2021/2022 and enabled the Health and Social Care partnership to take forward the national priorities and our local core service priorities when the opportunity to do so becomes available post Covid.

Mr McGuffie responded to an observation in respect of continuing to value staff in the jobs they are doing and the importance of ensuring posts are funded on a permanent basis to deliver priority services. This would continue to be considered as part of the Strategic Commissioning Plan and the IJB Financial Strategy. This was welcomed by Ms McGinty.

**Decided: The PFA Committee agreed the following recommendations -**

- Noted the indicative 2020/2021 year-end outturn for the North Lanarkshire HSCP as detailed at section 6.
- Noted that the final year-end outturn presented will reflect the guidance issued by the Local Authority Scotland Accounts Advisory Committee (LASAAC) which was received on Friday 14 May 2021.
- Noted that, following consultation with the Director of Finance of NHS Lanarkshire and the Head of Financial Solutions of North Lanarkshire Council, the IJB Reserves Strategy for 2021/2022 will be presented to the IJB on 22 June 2021 for approval.
- Noted that 2020/2021 Covid-19 funding which is not allocated to additional Covid-19 costs in 2020/2021 will be transferred to IJB reserves to meet the ongoing costs of the Covid-19 pandemic in 2021/2022, subject to the approval of the Scottish Government and the IJB and following consultation with both partners.
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**16. Set Aside Budget**

Ms M Moy provided an update on the activity levels and related costs within the set-aside services and also the ongoing challenges with the implementation of the set-aside concept.

Ms Moy highlighted that one of the key objectives of health and social care integration is to shift the balance of care. The set-aside concept is complex and there are a range of challenges which impact on this element of the overall accountability framework which were explored further in this report.

Ms Moy highlighted that in comparison to the base year of 2015/2016, the main conclusions of the analysis to date were summarised at appendix 10 as follows:

- more people attended A & E – an increase of approximately 10.5% since 2015/2016;
- more people were admitted to hospital – an increase of 18.4% since 2015/2016; and
- occupied bed days decreased by 8% from 2015/2016.

Overall, there is a pattern of higher throughput with faster turnaround.

Ms Moy summarised that the costs incurred in 2018/2019 in providing the services were retrospectively estimated to be £58.693m, which is £0.590m (1%) more than the budget.

In 2017/2018 the costs had been £1.654m more than budget. This was further analysed at appendices 2 and 3 of the report. Ms Moy highlighted that the IJB was not being asked to fund the additional cost incurred in respect of the set-aside activity. The agreement reached between the IJB and the NHS Board was akin to a block contract. The IJB provided the NHS Board with the remaining set aside budget and, in return, the Board provided the in-scope hospital services.

Ms Moy asked the PFA Committee to acknowledge the commitment of the NHS Lanarkshire Director of Finance to implementing the set-aside concept and to extend their thanks to Mrs Ace for her transparent and fair approach to this complex concept. The ongoing challenges were outlined at section 9 of the report.

**Decided: The PFA Committee agreed the following recommendations -**

- Noted the content of the report.
- Acknowledged and thanked Mrs Ace for her commitment to implementing the set-aside concept.

**17. Internal Audit**

Mr K Adamson, Audit and Risk Manager (North Lanarkshire Council), presented the report on the results of the planned Internal Audit assignment to follow-up on the status of the recommendations agreed in respect of previous Internal and External Audit reports.

The outcome of the follow-up audit concluded that 5 agreed actions (20%) have been completed and work continues to progress 18 agreed actions (72%). In respect of 16 of the ongoing actions, the target timescales agreed have passed and there are 2 actions where the target timescales agreed have not yet passed. 2 agreed actions (8%) are no longer relevant.

Internal Audit concluded that management continues to appropriately address actions identified in audit outputs. An action plan for areas where Internal Audit consider the action taken by management to implement the recommendation is not sufficient and further work is required was also agreed.

**Decided: The PFA Committee agreed the following recommendations -**

- Noted the content of the report.

**18. Internal Audit – Annual Audit Report 2020/21**

Mr T Gaskin, Chief Internal Auditor (NHS Lanarkshire) and Mr K Adamson, Audit and Risk Manager (North Lanarkshire Council), presented the report on the Internal Audit Annual Audit Report for the financial year 2020/2021 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 2021.

The PFA Committee were advised that the Internal Audit arrangements for the IJB are provided jointly by the Internal Audit teams of North Lanarkshire Council (NLC) and NHS Lanarkshire (NHSL). The Internal Audit Annual Audit Report 2020/2021, which was attached as an appendix to the report, was based on the body of work contained within

the Internal Audit Plan for 2020/2021 which was previously approved by the IJB PFA Committee

Mr Adamson and Mr Gaskin both concluded that, based on the work undertaken directly on behalf of the IJB and being informed by internal audit work undertaken independently by each respective internal audit function within NLC and NHSL, 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 2021. They also highlighted that a number of recommendations and improvement actions have been agreed with senior management arising from audit work undertaken during the year.

Dr Osborne was pleased to see continued team working and thanked all for their efforts.

**Decided: The PFA Committee agreed the following recommendations -**

- Noted the contents of the report.
- 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 2021.

**19. Internal Audit Plan 2021/22**

Mr T Gaskin, Chief Internal Auditor (NHS Lanarkshire) and Mr K Adamson, Audit and Risk Manager (North Lanarkshire Council), presented the report on the North Lanarkshire Integration Joint Board Internal Audit Plan 2021/2022.

The Internal Audit Plan 2021/2022, which totals 60 days, reflects the key objective of the Internal Audit service to deliver a programme of work that informs the annual Internal Audit opinion on the overall adequacy and effectiveness of an organisation's framework of governance, risk management and control arrangements. The Internal Audit Plan also takes account of assurances which will be provided to the IJB based on work performed under the Internal Audit Plans of both NLC and NHSL for 2021/2022.

In response to a question, Mr Adamson and Mr Gaskin explained the rationale for the allocation of 20 audit days to the audit assignment NL06-21 Response to Covid-19 Pandemic and the benefit of the outcome of this review to the Health and Social Care Partnership.

**Decided: The PFA Committee agreed the following recommendations -**

- Approved the proposed Internal Audit Plan for 2021/2022.
- Approved the recommendation by the Chief Financial Officer that the joint working arrangements between the North Lanarkshire Council (NLC) and NHS Lanarkshire (NHSL) Internal Audit teams continue in order to deliver the IJB Internal Audit Service.
- Approved the delegation of authority to the Chief Financial Officer to agree with the Audit and Risk Manager (NLC) and the Chief Internal Auditor (NHSL) the scope of the audit assignments in the Internal Audit Plan for 2021/2022 including the allocation of responsibilities for completion of assignments.

## 20. Community Solutions Commissioning

Mr McGuffie shared a report which provided an update on the future process for the commissioning of the Community Solutions programme and also noted the positive decision of the IJB to confirm the recurring funding of the Community Solutions programme, which was vital to provide security for the sector and would ease the difficulties faced around retention of staff.

Baseline funding would be set at the current annual funding position for 2021/22 (£1.141m), with any changes in future agreed through the planning process. VANL will provide the PF&A Committee with two reports on progress against the Community Solutions Work Plan as follows:

- Mid-year report focused on activity against the agreed plan
- End of year report focused on activity and outcomes against the agreed plan

The report went on to set out the key priorities identified. The Covid pandemic has shown that if we prioritise activities, this can have a significant impact. These would include –

- Developing an updated Community Solutions Strategy and Commissioning Plan 2022-24 with an associated rolling annual CS Work Plan, linked with the Strategic Commissioning Plan and Programme of Work, the Plan for North Lanarkshire (including tie in to the Community Boards) and Covid-19 Recovery and Remobilisation plans
- Agreeing a rolling annual Service Level Agreement with HSCNL.
- Managing delivery of new CS Commissioning Plan, including inviting proposals, making awards and supporting funded projects.
- Supporting six CS host projects and local collaboration with statutory partners to realign wider CVS sector investment through CS where appropriate.
- Implementation of revised CS Planning, Evaluation and Learning framework, to improve ability to evidence impact and Social Return on Investment (SROI). Provision of 6-month progress report and Annual Impact and Learning Report.
- Facilitating cross-sector development, agreement and implementation of a NL Social Prescribing improvement plan for NL which raises awareness of and increases investment in CVS as an enabler and provider of community based early intervention, prevention and recovery supports.

Finally, Ross advised the Community Solutions programme had been chosen as a spotlight session at the upcoming NHS Scotland Annual Conference, recognising the significant impact of the community and third sector in North Lanarkshire on the pandemic response.

Dr Osborne welcomed the approach and movement to greater stability.

### **Decided: The PFA agreed the following -**

- Endorsed the proposed commissioning approach for the Community Solutions Programme following approval of recurring funding at the March 2021 IJB meeting.

## 21. Risk

No further risks noted.

ITEM 3

<b>22. DATE OF NEXT MEETING</b> – Tuesday 24 <sup>th</sup> August 2021, 2.00pm via MS Teams