

# Notice of Meeting and Agenda



## Midlothian Integration Joint Board - Audit and Risk Committee

**Venue:** Conference Room, Melville Housing, The Corn Exchange, 200 High Street, Dalkeith EH22 1AZ - Please note carefully the change of venue and earlier start time for this meeting,

**Date:** Thursday, 06 December 2018

**Time:** 13:00

**Allister Short**  
**Chief Officer**

**Contact:**

Clerk Name: Mike Broadway

Clerk Telephone: 0131 271 3160

Clerk Email: [Mike.Broadway@midlothian.gov.uk](mailto:Mike.Broadway@midlothian.gov.uk)

**Further Information:**

This is a meeting which is open to members of the public.

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**1 Welcome, Introductions and Apologies**

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**2 Order of Business**

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Including notice of new business submitted as urgent for consideration at the end of the meeting.

**3 Declaration of Interest**

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Members should declare any financial and non-financial interests they have in the items of business for consideration, identifying the relevant agenda item and the nature of their interest.

**4 Minute of Previous Meeting**

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| <b>4.1</b> | Minutes of Meeting held on 6 September 2018 - For Approval | 3 - 8 |
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**5 Public Reports**

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|------------|--|---------|
| <b>5.1</b> | Internal Audit Recommendations Progress Report – Report by MIJB Chief Internal Auditor                       | 9 - 16  |
| <b>5.2</b> | Risk Register – Report by Risk Manager   | 17 - 30 |
| <b>5.3</b> | Audit Scotland Reports on Integration – Report by Integration Manager  | 31 - 34 |
| <b>5.4</b> | Scottish Government Medium Term Health and Social Care Financial Framework – Report by Chief Finance Officer | 35 - 38 |

**6 Private Reports**

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No private reports to be discussed at this meeting.

**7 Date of Next Meeting**

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The next meeting of the Midlothian Integration Joint Board Audit and Risk Committee will be held on **Thursday 7<sup>th</sup> March 2019 at 2.00 pm**

# Minute of Meeting



## Midlothian Integration Joint Board Audit and Risk Committee

Date	Time	Venue
Thursday 6 September 2017	2.00pm	Committee Room, Midlothian House, Buccleuch Street, Dalkeith EH22 1DN.

### Present (voting members):

Cllr Jim Muirhead (Chair)	Angus McCann
Jane Cuthbert (Independent Member)	

### Present (non voting members):

Allister Short (Chief Officer)	David King (Chief Finance Officer)
Jill Stacey (Chief Internal Auditor)	

### In attendance:

Stephen Reid (EY, External Auditor)	Janet Ritchie (Democratic Services Officer)

### Apologies:

Councillor Pauline Winchester	Alex Joyce

## Midlothian Integration Joint Board

### Audit and Risk Committee

Thursday 6 September 2017

#### 1. Welcome and introductions

The Chair, Councillor Jim Muirhead welcomed everyone to the meeting of the Midlothian Integration Joint Board Audit and Risk Committee, following which there was a round of introductions.

#### 2. Order of Business

The order of business was as set out in the Agenda.

#### 3. Declarations of interest

No declarations of interest were received.

#### 4. Note of Meeting

The Minutes of Meeting of the Midlothian Integration Joint Board Audit and Risk Committee held on 20 June 2018 was submitted. An amendment to the minute was proposed with regards to item 5.4 which should read that the annual accounts may be agreed by the Integration Joint Board or appropriate sub-committee. With the insertion of this amendment the minute was thereafter approved.

#### 5. Public Reports

Report No.	Report Title	Presented by:
5.1	Appointed Auditor – Letter of Representations	David King (Chief Finance Officer)
<b>Executive Summary of Report</b>		
<p>The purpose of this report was to present the 'letter of representations' for the 2017/18 audit of the IJB to the committee. The report explained that the IJB as a statutory body was required to produce a set of Annual Accounts every financial year. These accounts must be audited by an independent (external) Auditor and the IJB was required to request that the audit was undertaken and provided a range of assurances to the Auditors. This was done through the 'letter of representations' which was written by the IJB (and signed on its behalf by the CFO and the Chair of the Audit and Risk Committee) to the appointed auditor providing these assurances.</p> <p>The Audit and Risk Committee was asked to agree that the letter of representations was signed on the IJB's behalf by the CFO and the Chair of the Audit and Risk committee.</p>		
<b>Summary of discussion</b>		
<p>David King (Chief Finance Officer) in presenting the 'letter of representations' highlighted that this had a key part in the process of producing the set of annual accounts.</p>		
<b>Decision</b>		
<p>The Audit and Risk Committee agreed that the letter of representations would be signed by the Chief Finance Officer and the Chair of the Audit and Risk Committee.</p>		
<b>Action</b>		
<p>Chief Finance Officer and the Chair of the Audit and Risk Committee.</p>		

## Midlothian Integration Joint Board

### Audit and Risk Committee

Thursday 6 September 2017

Report No.	Report Title	Presented by:
5.2	Annual Audit Report to year ended 31 March 2018	External Auditors, EY
<b>Executive Summary of Report</b>		
<p>The purpose of this report was to present the external Annual Audit report of the IJB and the controller of Audit – year end 31 March 2018.</p> <p>In accordance with the Local Government (Scotland) Act 1973, the Accounts Commission appointed EY as the external auditor of Midlothian Integration Joint Board (IJB) for the five year period 2016/17 to 2020/21. This Annual Audit Report was designed to summarise the key findings and conclusions from the audit work. It was addressed to both members of the IJB and the Controller of Audit, and presented to both IJB management and those charged with governance. After consideration by the IJB, this report would be provided to Audit Scotland and published on their website.</p>		
<b>Summary of discussion</b>		
<p>External Auditor provided the Committee with an outline of the report highlighting the key messages detailed within the Executive summary which included Financial management, Financial sustainability, Governance and transparency and Value for money. The two recommendations for management as a result are set out in the action plan, Appendix D.</p> <p>There after the External Auditor responded to questions and comments raised by the committee.</p>		
<b>Decision</b>		
<p>The Audit and Risk Committee noted the external auditors report on the MIJB's annual accounts and the recommendations within the action plan detailed in the Appendix to the report.</p>		

Report No.	Report Title	Presented by:
5.3	Annual Accounts 2017/18	David King (Chief Finance Officer)
<b>Executive Summary of Report</b>		
<p>The purpose of this report was to present for the Committee's consideration and approval the Annual Accounts 2017/18 which have been reviewed by the IJB's Independent Auditors.</p> <p>The report explained that as a statutory body, the IJB was required to produce a set of annual accounts at the end of its financial year (31 March). These accounts are then reviewed by the IJB's external auditors who would report their opinions on the Annual Accounts to the IJB Audit and Risk Committee. This report having been agreed by the committee and no outstanding issues the Committee would recommend the annual accounts to the IJB.</p> <p>The accounts will then be signed by the Chair of the IJB, the Chief Officer of the IJB and the Chief Finance Officer of the IJB as appropriate.</p>		

## Midlothian Integration Joint Board

### Audit and Risk Committee

Thursday 6 September 2017

#### Summary of discussion

David King (Chief Finance Officer) in presenting the Annual Accounts to the Committee highlighted the background to the Midlothian Integration Joint Board (MIJB), explaining that the MIJB was governed by the Local Government Scotland Act (1973) along with the 2014 regulations and that the Accounts had been prepared on that basis. The accounts had subsequently been audited by the MIJB's External Auditors – Ernst & Young.

Angus McCann highlighted that the statement on page 60 should read: *'I confirm that these Annual Accounts were approved for signature at the Integration Joint Board on 13 September 2018 on recommendation from the Audit and Risk Committee held on 6 September 2018'*. David King confirmed that this was correct and this would be amended for presentation to the Integration Joint Board on 13 September 2018.

#### Decision

The IJB Audit and Risk Committee:

- Noted the external auditors report on the MIJB's annual accounts.
- The Chief Finance Officer would amend the statement on page 60 of the accounts as detailed above before presenting the final accounts for signature.
- Recommended the Annual Accounts to the Integration Joint Board.

#### Action

Chief Finance Officer

Report No.	Report Title	Presented by:
5.4	Risk – partners key risks and any potential impact on the IJB	David King (Chief Finance Officer)

#### Executive Summary of Report

The purpose of this report was to provide an update of the operational risks held within the partner's risks registers of both Midlothian Council and NHS Lothian to the committee and therefore allowing information on key risks held and their mitigation.

The IJB and the Audit and Risk committee have discussed the need to be sighted on the operational risks held within the risk registers of the health and social care partners held within both NHS Lothian and Midlothian Council.

At the March 2018 Audit and Risk Committee it was agreed that the Chief Finance Officer would provide a report highlighting these operational risks to ensure that any risks identified are known to the IJB.

The IJB is not in a position to manage such operational risks and would, in any event, depend on the management actions of the partners.

#### Summary of discussion

David King (Chief Finance Officer) presented this report to the committee and apologised for the late distribution of the Partner's risk registers.

## Midlothian Integration Joint Board

### Audit and Risk Committee

Thursday 6 September 2017

Thereafter detailed discussion took place on operational risks and IJB risks and the key high level risks identified within the report.

#### Decision

The IJB Audit and Risk Committee:

- Noted the operational risks identified.
- Agreed that this information would be extracted every 6 months.
- Agreed to add the Partners' Operational Risk Register as a standard item on the agenda.

#### Action

Democratic Services Officer

Report No.	Report Title	Presented by:
5.5	Overview of Internal Audit Plan for 2018/19	Jill Stacey (Chief Internal Auditor)
<b>Executive Summary of Report</b>		
The Chief Internal Auditor circulated the IJB Internal Audit Action Plan 2018/19 for discussion.		
<b>Summary of discussion</b>		
The Chief Internal Auditor provided the committee with a brief update on the items contained within the audit action plan and an explanation on the timescales listed. After responding to questions and comments raised by the committee she confirmed that the plan was flexible could be amended as required over the year.		
<b>Decision</b>		
The Audit and Risk Committee noted the IJB Internal Audit Action Plan.		

## 6. Private Reports

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No private business to be discussed at this meeting.

## 7. Date of next meeting

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The next meetings of the Midlothian Integration Joint Board Audit and Risk Committee would be held on Thursday 6 December 2018 at 2.00 pm.

The meeting terminated at 3.10 pm.





**Thursday 6 December 2018, 1.00 pm**

## **Internal Audit Recommendations Progress Report**

**Item number: 5.1**

### **Executive summary**

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This report details the MIJB's reported performance in addressing and closing the issues and recommendations raised by Internal Audit.

Of the 57 recommendations raised since the inception of the MIJB, 49 (86%) are recorded as complete, 2 (4%) have not yet reached their due date, and 6 (10%) were identified as being overdue. After reviewing all the recommendations, MIJB Management have established revised target dates for the 6 overdue recommendations.

The MIJB Audit and Risk Committee is asked to:

- *note the content of this report;*
- *approve the revised implementation dates as shown in Appendix 1; and*
- *note that Internal Audit will continue to monitor for completion of the outstanding recommendations and will provide updates to the MIJB Audit and Risk Committee.*

## Internal Audit Recommendations Progress Report

### 1 Purpose

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1.1 The purpose of this report is to:

- inform the MIJB Audit and Risk Committee of the number of recommendations raised by Internal Audit;
- note the MIJB Management's reported performance in addressing these issues by the agreed implementation; and
- highlight the main governance and financial risks where recommendations are found to be outstanding.

### 2 Recommendations

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2.1 The MIJB Audit and Risk Committee is asked to:

- note the content of this report;
- approve the revised implementation dates as shown in Appendix 1; and
- note that Internal Audit will continue to monitor for completion of the outstanding recommendations and will provide updates to the MIJB Audit and Risk Committee.

### 3 Background and main report

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- 3.1 Internal Audit suggests recommendations for improving internal control and to assist the MIJB deliver against its objectives and best value. When MIJB Management and the Audit and Risk Committee agree these recommendations, the issues are updated to Pentana (Midlothian Council's performance management system) along with a date by which MIJB Management should have completed the agreed action.
- 3.2 Each year, Internal Audit undertakes two follow up reviews on recommendations raised. The first reports on the progress Management have made in completing and closing the recommendations by the expected date (which is the subject of this report). The second samples recommendations which have been reported as complete and reviews the adequacy of the actions taken. The latter review will be undertaken in April / May 2019.

### 4 Policy Implications

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- 4.1 Of the 57 recommendations raised since the inception of the MIJB, 49 (86%) are recorded as complete, 2 (4%) have not yet reached their due date, and 6 (10%) were identified as being overdue. After reviewing all the recommendations, Management have established revised target dates for the 6 overdue recommendations.

- 4.2 In the prior year, it was identified that out of the 53 recommendations raised at the time, 5 (10%) were overdue. There have been 4 additional recommendations raised since the previous Audit recommendations progress report was reviewed. The number of completed recommendations is 9% higher than the prior year which indicates performance has improved. Management have advised that the target dates need to be revised due to the preparation of the 2019-22 Strategic Plan and complexities involved in addressing the risks.
- 4.3 A summary is attached at Appendix 1 which details the progress made by Management on overdue recommendations and includes the revised target dates requested by management. Appendix 2 details the 'in progress' recommendations which have not yet reached their due date.

## 5 Equalities Implications

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- 5.1 There are no equalities implications.

## 6 Resource Implications

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- 6.1 There are no direct resource implications arising from the report

## 7 Risk

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- 7.1 The recommendations made by Internal Audit are directly related to reducing the level of risk that the MIJB is exposed to. These recommendations were raised to reduce governance, financial, reputational and strategic risks.

## 8 Involving people

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- 8.1 The Report has been discussed with the MIJB's Chief Officer, Chief Finance Officer and the Integration Manager.

## 9 Background Papers

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- 9.1 Appendix 1 lists the outstanding recommendations and the latest notes by Management against each recommendation together with revised proposed implementation dates. Appendix 2 lists the recommendations which are 'in progress' which have not yet reached their due date.

<b>AUTHOR'S NAME</b>	Amber Ahmed / Jill Stacey
<b>DESIGNATION</b>	Auditor / Chief Internal Auditor
<b>CONTACT INFO</b>	0131 271 3280/3126
<b>DATE</b>	28/11/2018

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# MIJB Internal Audit Recommendations

## Appendix 1 – Outstanding Recommendations

Status: Overdue 6





### 2016 - Financial Assurance and Governance for the Midlothian Integration Joint Board

Action Code	Action	Priority	Due Date	Icon	Progress	Latest Notes	Managed By
IA.IJBGOV.20	Performance reports should include sections on delivery of best value and following the public pound.	High	<u>Original Date</u> 31 Jan 2018  <u>Revised Date</u> 31 Dec 2018		90%	<b>Q2 18/19: Off Target</b> Request has been made to Democratic Services to amend the IJB report template to highlight the need to consider best value. Proposed revised due date 31 December 2018.	Lynsey Henderson; Tom Welsh
IA.IJBGOV.22.2	This would include: Risk Registers; Directions; Performance reporting; Complaint and freedom of information processing; Development of Records Management plans; Business continuity planning; and Development of IJB web site.	High	<u>Original Date</u> 31 May 2018  <u>Revised Date</u> 30 Sept 2019		90%	<b>Q2 18/19: Off Target</b> In all these areas good progress has been made. However, substantial work is required to develop an IJB website; this is not currently a priority for the IJB and using the Council website is meeting the current needs of the IJB. Proposed revised due date 30 September 2019.	Lynsey Henderson; Tom Welsh


### 2016 - Midlothian Integration Joint Board Strategic Planning

Action Code	Action	Priority	Due Date	Icon	Progress	Notes	Managed By
IA.IJBSTRAT.01	The IJB should support the development of the NHS Lothian's Hospitals Strategic Plans and use available consultation opportunities to promote the actions required to deliver the Midlothian IJB Strategic Plan.	Medium	<u>Original Date</u> 31 Jan 2017  <u>Revised Date</u> 31 March 2020		30%	<b>Q2 18/19: Off Target</b> The proposed move towards a regional approach to some health services resulted in a rescheduling of the development of a NHS Hospital Strategic Plan. Whilst there are forums established which enable the contribution of the IJB to the development of the hospital services, consideration is now being given to how this work can be accelerated in collaboration with other Lothian IJBs. Proposed revised due date 31 March 2020.	Lynsey Henderson; Tom Welsh

## 2017 - Annual Governance Statement – Midlothian Integration Joint Board

Action Code	Action	Priority	Due Date	Icon	Progress	Notes	Managed By
IA.AGS1617.01	Updated Code of Corporate Governance - Update the existing Code of Corporate Governance following issue of the new International Framework of Good Governance in the Public Sector.	High	<u>Original Date</u> 31 Mar 2018  <u>Revised Date</u> 31 March 2019		50%	<b>Q2 18/19: Off Target</b> Recent checks have been undertaken in collaboration with Audit to identify any continuing gaps in the IJB Code of Corporate Governance. Through completing this work compliance with this framework should be achieved. Proposed revised due date 31 March 2019.	Tom Welsh
IA.AGS1617.03	Improvement of Financial Planning - Improve financial planning timescales by moving to a 3 year plan rather than the current position of a detailed 1 year plan with indicative values for the next 2 years.	High	<u>Original Date</u> 31 Mar 2018  <u>Revised Date</u> 31 March 2019		75%	<b>Q2 18/19: Off Target</b> IJB 3 Year Financial Strategy was approved in September 2018 and this supports the delivery of the Strategic Plan. The IJB also has a 3 year indicative allocation from both NHS Lothian and Midlothian Council. Proposed revised due date 31 March 2019.	Chief Finance Officer; Tom Welsh

## 2018 - Performance Targets and Reporting – IJBs

Action Code	Action	Priority	Due Date	Icon	Progress	Notes	Managed By
IA.IJBPTR.03	The IJB chief officer will agree with the IJB board what the key high level plans are. For each of these plans, the chief officer will ensure that all key actions are phrased as SMART objectives. These objectives will then be approved by the IJB board.	High	<u>Original Date</u> 31 Jul 2018  <u>Revised Date</u> 31 March 2019		60%	<b>Q2 18/19: Off Target</b> The Strategic Plan 2019-22 and associated client groups specific action plans are in development and will be presented for approval to the Strategic Planning Group and the IJB by March 2019. The current 2018-19 transformation programme has already been reported to and approved by the IJB. Proposed revised due date 31 March 2019.	Tom Welsh

# MIJB Internal Audit Recommendations

## Appendix 2 – In Progress Recommendations

Status: In Progress 2



### 2016 - Financial Assurance and Governance for the Integration Joint Board

Action Code	Action	Priority	Due Date	Icon	Progress	Notes	Managed By
IA.IJBGOV.03	The Strategic Plan should be fully costed and linked to the budgets available.	High	30-Mar-2019	▶	50%	<b>Q2 18/19: On Target</b> Main focus is the preparation of the 2019-22 Strategic Plan. This will be relatively high level; detailed costed activity will be documented in the individual action plans e.g. primary care plan; carers action plan.	Lynsey Henderson; Tom Welsh

### 2017 - IJB Performance Management

Action Code	Action	Priority	Due Date	Icon	Progress	Notes	Managed By
IA.IJBPM.03	The MIJB should consider the locality requirements of the Act and explore the possibility of capturing performance data and financial information at a locality level with the national data sources and the partners.	Medium	31-Mar-2019	▶	0%	<b>Q2 18/19: Off Target</b> The approach to localities is outlined in the Strategic Plan. The Chief Finance Officer has confirmed that at this stage the information is not available and unlikely to be in the near future.	Chief Finance Officer; Tom Welsh





**Thursday 6 December 2018**

## **Risk Register**

**Item number: 5.2**

### **Executive summary**

*The Integrated Joint Board (IJB) Audit and Risk Committee maintains a risk register which is regularly scrutinises. However, it is important that Midlothian IJB is kept informed of its key risks and the actions undertaken to manage these risks and the current version of the IJB's risk register is attached.*

#### **Committee members are asked to:**

1. *Consider the risk register especially those risks highlighted in the covering report.*

# Report

## Risk Register

### 1 Purpose

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This report lays out the current version of the IJB's risk register and highlights risks of major concern.

### 2 Recommendations

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2.1 Members are asked to:-

Consider the risk register especially those risks highlighted in the covering report.

### 3 Background and main report

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3.1 The IJB agreed at its inaugural meeting on 20 August 2015 to adopt a risk management policy and set up a risk register. This work was progressed at an IJB workshop and subsequent IJB meetings. It was agreed that the IJB's Audit and Risk Committee would regularly scrutinise the register and report back to the IJB as required.

3.1 The most significant risks on the MIJB risk register are as follows :-

Financial Strategy presented to the IJB at its September 2018 meeting. Strategy to be reviewed in light of recent national audit reports by Audit Scotland in relation to integration of health and social care, 'Health and Social Care Integration – Update on Progress' and 'NHS in Scotland 2018'.

Use of Acute Hospital Beds, Midlothian has too high a usage of hospital beds for people who are fit to be discharged or who did not need to be admitted in the first place. In response a project to examine the use of acute hospital beds has been established. A Project Manager has been appointed to lead a project aimed at reducing the reliance on Acute Hospital Beds.

### 4 Policy Implications

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There are no new policy issues raised in this paper.

## 5 Equalities Implications

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5.1 There are no direct equalities implications arising from this report.

## 6 Resource Implications

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6.1 There are no direct resource implications associated with this report.

## 7 Risk

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7.1 The risks relevant to the business of the IJB are set out within the attached risk register.

## 8 Involving people

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8.1 The IJB's meetings are held in public and the IJB's papers along with those of the IJB's Audit and Risk committee are available on the internet. This work is supported by the IJB's Chief Internal Auditor and the partnership's risk managed

## 9 Background Papers

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9.1 None

<b>AUTHOR'S NAME</b>	Chris Lawson
<b>DESIGNATION</b>	Risk Manager
<b>CONTACT INFO</b>	<a href="mailto:chris.lawson@midlothian.gov.uk">chris.lawson@midlothian.gov.uk</a>
<b>DATE</b>	21 November 2018

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Appendices :-


1. Risk Register



## IJB Risk Register


### Issues



#### IJB.IR.01 Financial Stability

Risk Code	Risk Identification	Managed by	Risk Control Measures	Likelihood	Impact	Risk Evaluation
IJB.IR.01	<p><b>Risk cause</b> Level of resourcing not matching demand.</p> <p><b>Risk event</b> Demand exceeding resource allocation.</p> <p><b>Risk effect</b> Significant overspend or inability to meet demand requirements.</p>	Chief Finance Officer	<p>Chief Finance Officer (CFO) appointed to IJB</p> <p>Appropriate monitoring of budget position</p> <p>Action plans to respond to specific financial challenge</p> <p>IJB reserve established to respond future budget pressures.</p>	2	2	


## Risks

### IJB.RR.01 Balancing budget in future years


Risk Code	Risk Identification	Managed by	Risk Control Measures	Likelihood	Impact	Risk Evaluation
IJB.RR.01	<p><b>Risk cause</b> Inadequate resources to meet demand in the manner in which services are currently delivered.</p> <p><b>Risk event</b> Inability to meet demand within existing resources.</p> <p><b>Risk effect</b> Overspends due to excessive demand for services, quality failures, and cuts in other services. The Community Health Partnership will have made financial commitments when in operation some of which will extend in to the period covered by the IJB and will require to be honoured.</p>	Chief Finance Officer	<p>Chief Finance Officer appointed to IJB, this post is responsible for the governance, appropriate management of finance and financial administration of the IJB.</p> <p>Early Warning Indicators from NHS Lothian and Midlothian Council.</p> <p>Strong budget control systems in place in NHS Lothian and Midlothian Council.</p> <p>Financial Strategy developed, <i>presented to the IJB (September 2018 meeting) and agreed.</i> <i>Realistic Care Realistic Medicines group expanded in to Business Transformation Board – Social Care Project with Realistic Care Realistic Medicine Transformation Programme.</i></p>	4	4	


Related Action Code	Related Action	Related action latest note	Managed By	Due Date	Status
IJB.RR.01.A2	Financial Strategy	<b>Q2 18/19:</b> Financial Strategy presented to the IJB at its September 2018 meeting. Strategy to be reviewed in light of recent national audit reports by Audit Scotland in relation to integration of health and social care, 'Health and Social Care Integration – Update on Progress' and 'NHS in Scotland 2018'.	Chief Officer	30-Sep-2018	
IJB.RR.01.A3	Business Transformation Board – Social Care Project	<b>Q2 18/19:</b> Previous Realistic Care, Realistic Medicine group expanded into Business Transformation Board – Social Care Project with Realistic Care Realistic Medicine Transformation Programme, to deliver the financial strategy in operational terms.	Chief Officer	31-Mar-2019	

### IJB.RR.03 Demographic Changes

Risk Code	Risk Identification	Managed by	Risk Control Measures	Likelihood	Impact	Risk Evaluation
IJB.RR.03	<p><b>Risk cause</b> Increasing demands on services as a result of ageing population, and increasing numbers and complexity of need of children moving into Adult Services.</p> <p><b>Risk event</b> Inability to meet demand within existing resources.</p> <p><b>Risk effect</b> Demands made on Social Care resource budget exceed available budget. Capacity to maintain and develop preventative services is put at risk.</p>	Chief Officer	<p>Annual review of joint needs assessment so that the allocation of resources can be reviewed and amended.</p> <p>Continual process of service redesign to ensure people access services quickly, and their recovery is supported effectively.</p> <p>Realistic Care, Realistic Medicines programme Board.</p> <p>Business Transformation Board - Social Care Project.</p> <p>Demographic profiling to ensure forward planning reflects the demographic profile of the IJB.</p> <p>Captured in financial Strategy</p>	5	3	




### IJB.RR.04 Governance

Risk Code	Risk Identification	Managed by	Risk Control Measures	Likelihood	Impact	Risk Evaluation
IJB.RR.04	<p><b>Risk cause</b> Complexity of governance arrangements for the three bodies - NHS Lothian , Midlothian Council and the IJB - having to work together</p> <p><b>Risk event</b> Issues arise which lead to uncertainty about decision making authority.</p> <p><b>Risk effect</b> The IJB's governance systems are unable to operate effectively.</p>	Chief Officer	<p>Performance Reports</p> <p>Use of Audit to Monitor effectiveness of Internal controls</p> <p>Code of Corporate Governance</p> <p>Integration Scheme</p> <p>Regular formal and informal meetings with partners.</p>	2	4	

Related Action Code	Related Action	Related action latest note	Managed By	Due Date	Status
IJB.RR.04.A1	Review of Integration Scheme	<b>Q2 18/19:</b> All 4 Lothian IJB's are reviewing their respective integration schemes. This is ahead of the required 5 yearly review required by Scottish Government.	Chief Officer	31-Mar-2019	


## IJB.RR.07 Managing Change



Risk Code	Risk Identification	Managed by	Risk Control Measures	Likelihood	Impact	Risk Evaluation
IJB.RR.07	<p><b>Risk cause</b> Information on changes to service released before service user or employees consultation strategy developed.</p> <p><b>Risk event</b> There is the potential for information to be released on draft schemes or proposals for changes to service delivery.</p> <p><b>Risk effect</b> This could have a negative impact on Service Users and Employees by creating unnecessary concern regarding potential changes which have not been fully considered or consulted on.</p>	Joint Director Midlothian Health and Social Care Partnership	<p>Strategic delivery plan.</p> <p>Directions made and monitored.</p> <p>Performance reporting against delivery of strategic plan and other key indicators.</p> <p>There is an Organisational Development Officer in post, delivering an OD programme alongside a number of Lothian-wide initiatives.</p>	3	4	

Related Action Code	Related Action	Related action latest note	Managed By	Due Date	Status
IJB.RR.07.A1	Communications Strategy	<b>Q2 18/19:</b> Communication plans are being developed and implemented across the service.	Chief Officer	31-Mar-2019	
IJB.RR.07.A2	Organisational Development Programme	<b>Q2 18/19:</b> An organisation development programme is being delivered.	Joint Director Midlothian Health and Social Care Partnership	31-Mar-2019	
IJB.RR.10.A1	Workforce Planning	<b>Q2 18/19:</b> Workforce framework report reported to IJB in June. Specific workforce plans have been developed in 3 Service areas.	Joint Director Midlothian Health and Social Care Partnership	31-Mar-2019	




## IJB.RR.08 Management Information


Risk Code	Risk Identification	Managed by	Risk Control Measures	Likelihood	Impact	Risk Evaluation
IJB.RR.08	<p><b>Risk cause</b> The two main software systems used within the Council (Framework-i) and NHS Lothian (Trak) to support the delivery of adult and social care do not integrate at present.</p> <p><b>Risk event</b> These systems are used to drive performance information.</p> <p><b>Risk effect</b> The lack of integration of the information between the systems reduces the potential for holistic reporting.</p>	Joint Director Midlothian Health and Social Care Partnership	<p>The Interagency Information Exchange allows direct and up to date access to other professional's information.</p> <p>Data sharing agreements</p>	3	3	


Related Action Code	Related Action	Related action latest note	Managed By	Due Date	Status
IJB.RR.08.A1	Interagency Information Exchange	<p><b>Q2 18/19: Off Target</b> Initial testing commenced early June but performance issues have been discovered around basic functionality and these are currently being investigated. No new implementation date can be provided until investigation of these issues are complete and resolutions found.</p>	Mike O'Rourke	31-Mar-2018	
IJB.RR.08.A2	Performance Information	<p><b>Q2 18/19:</b> Work continues on the development of a comprehensive performance framework for the IJB. Reports presented to the IJB. Regular reports presented to the IJB.</p>	Chief Officer	31-Mar-2019	


### IJB.RR.09 Leadership Capacity - IJB

Risk Code	Risk Identification	Managed by	Risk Control Measures	Likelihood	Impact	Risk Evaluation
IJB.RR.09	<p><b>Risk cause</b> Changing membership of IJB creates challenges to ensure all members have a clear understanding of the Integration of Health and Social Care.</p> <p><b>Risk event</b> New members may have a knowledge gap around the work of the IJB, the planned outcomes and measures to drive forward improvement.</p> <p><b>Risk effect</b> Ability of new members to make a positive contribution to the IJB.</p>	Chief Officer	<p>National and local Induction programs in place.</p> <p>Membership changes incrementally.</p> <p>User, Carer and Third Sector members receive pre-meeting support.</p> <p>Induction/development programme in place.</p> <p>Leadership Development training in place.</p> <p>The IJB has changed members, chair and CO in the last year yet continues to function well</p>	3	2	


### IJB.RR.10 Workforce Capacity Including Recruitment & Retention of Health and Social Care Staff




Risk Code	Risk Identification	Managed by	Risk Control Measures	Likelihood	Impact	Risk Evaluation
IJB.RR.10	<p><b>Risk cause</b> Potential future ability to recruit sufficient staff.</p> <p><b>Risk event</b> Insufficient numbers of qualified people to deliver services based on current models.</p> <p><b>Risk effect</b> Negative impact on service delivery where services require Health Visitors and GPs.</p>	Joint Director Midlothian Health and Social Care Partnership	<p>National program of training for GPS and Health Visitors.</p> <p>Living Wage commitment to address low paid positions.</p> <p>Service Specific Workforce Plan being developed which will include the development of new roles and a changing skill mix.</p> <p>SVQ Assessment Centre Established.</p>	3	4	

Related Action Code	Related Action	Related action latest note	Managed By	Due Date	Status
IJB.RR.10.A1	Workforce Planning	<b>Q2 18/19:</b> Workforce framework report reported to IJB in June. Specific workforce plans have been developed in 3 Service areas.	Joint Director Midlothian Health and Social Care Partnership	31-Mar-2019	


SRP.RA.04	Scottish Social Service Council Care at Home	<b>Q2 18/19:</b> The process for registration of Care at Home staff underway. This will be a significant step towards professionalising the workforce.	Joint Director Midlothian Health and Social Care Partnership	31-Dec-2019	
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### IJB.RR.11 Working With Other Organisations (Partnership)

Risk Code	Risk Identification	Managed by	Risk Control Measures	Likelihood	Impact	Risk Evaluation
IJB.RR.11	<p><b>Risk cause</b> The establishment of the Integrated Joint Board (IJB) may reduce the efforts required to work with other Community Planning partners.</p> <p><b>Risk event</b> THE HSCP focusses too narrowly on its immediate responsibilities to deliver direct services in health and care, and neglects the task of building long term sustainability.</p> <p><b>Risk effect</b> The HSCP does not achieve its long term objectives.</p>	Chief Officer	<p>The IJB Chair and Chief Officer are members of the Community Planning Board.</p> <p>Health and Social Care are actively in Area Targeting Work.</p> <p>Reducing inequality is the key objective of the Community Planning Partnership.</p> <p>Other agencies - e.g. Housing; Libraries; Fire and Rescue; Ambulance - are actively involved in joint planning groups.</p>	3	4	


Related Action Code	Related Action	Related action latest note	Managed By	Due Date	Status
IJB.RR.11-A1	Single Midlothian Plan	<b>Q2 18/19:</b> Plan for 2018/19 published, work underway to develop next 3 year plan. Health and Social Care are a contributors to this process as key community planning partners.	Joint Director Midlothian Health and Social Care Partnership	31-Mar-2019	
IJB.RR.11-A2	Strengthening work with Voluntary Sector	<b>Q2 18/19:</b> Summit held with Voluntary Sector Organisations, with future sessions to be held on a quarterly basis.	Joint Director Midlothian Health and Social Care Partnership	31-Mar-2019	
	Development/Implementation of Diabetes Strategy	<b>Q2 18/19:</b> Community Planning Partnership agreed to lead this project. Midlothian Council Chief Executive agreed to be the project sponsor.	Chief Officer	31-Mar-2020	

### IJB.RR.14 Business Continuity


Risk Code	Risk Identification	Managed by	Risk Control Measures	Likelihood	Impact	Risk Evaluation
IJB.RR.14	<p><b>Risk cause</b> Lack of clarity about Business Continuity arrangements.</p> <p><b>Risk event</b> The Health &amp; Social Care Partnership is unable to implement proposals in the absence of an effective governing body.</p> <p><b>Risk effect</b> The IJB fails to make good progress with the implementation of its Strategic Plan.</p>	Chief Officer	<p>Integration Scheme - standing orders and a code of governance in place.</p> <p>Substitute IJB members in place by NHS Lothian, Midlothian Council, Users, Carers and Third Sector.</p> <p>The Council and NHS have their own Business Continuity Plans and arrangements in place to monitor third party suppliers. (Check local code of governance)</p>	3	4	

Related Action Code	Related Action	Related action latest note	Managed By	Due Date	Status
IJB.RR.14-A1	Preparation by suppliers to respond to No Deal Exit from European Union.	<b>Q2 18/19:</b> IJB to seek assurance from key partners of their on going ability to deliver services in the event of the UK leaving the European Union on 29 March 2019 without a deal on the future relationship.	Chief Officer	31-Dec-2019	

### IJB.RR.18 Use of Acute Hospital Beds

Risk Code	Risk Identification	Managed by	Risk Control Measures	Likelihood	Impact	Risk Evaluation
IJB.RR.18	<p><b>Risk cause</b> Midlothian has too high a usage of hospital beds for people who are fit to be discharged or who did not need to be admitted in the first place.</p> <p><b>Risk event</b> Acute hospitals are unable to function effectively and efficiently because of the number of people occupying beds who do not require hospital care.</p> <p><b>Risk effect</b> The difficulty of shifting resources to community based</p>	Chief Officer	<p>On-going monitoring of quality</p> <p>IJB set Targets on use of Acute Beds.</p> <p>Directions set.</p> <p>Patient pathway being improved including the establishment of a local discharge 'hub'</p>	4	5	


	services will continue, and people who need hospital care will experience delays.  The acute hospital system has to commission services from private providers to meet national targets.					
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Related Action Code	Related Action	Related action latest note	Managed By	Due Date	Status
IJB.RR.18-A1	Project to examine the use of acute hospital beds	<b>Q2 2018/19:</b> Project Manager appointed, detail project plan to be prepared. Renewed efforts to accelerate this work in collaboration with NHS colleagues.	Chief Officer	31-Mar-2019	

## Opportunities

### IJB.OP.01 Strategic Plan




Risk Code	Risk Identification	Managed by	Risk Control Measures	Likelihood	Impact	Risk Evaluation
IJB.OP.01	The creation of a Strategic Plan provides the opportunity to describe the future shape of care services.	Chief Officer	<p>The Strategic Plan sets out the direction of travel for all health and care services and identifies how available funding will be used to enable some of these changes to take place.</p> <p>New funding such as social care monies and Primary Care Transformation funds will enable some of the aspirational plans to be put into effect.</p> <p>Direction provides clarity and specificity about actions flowing from the Strategic Plan.</p> <p>Health and Care Transformation Board has been established to ensure a SMART (Specific, Measurable, Achievable, Realistic, Timely) approach to implementation of the Strategic Plan.</p> <p>Annual Delivery Plan.</p>	5	4	

Related Action Code	Related Action	Related action latest note	Managed By	Due Date	Status
IJB.OP.01.A5	New Strategic Plan	<b>Q2 18/19:</b> Work is in progress to develop new 3 year Strategic Plan. This has included a review of the 2 year needs assessment and staff engagement.	Chief Officer	30-Mar-2019	

#### Risk Management report Key:

<b>Very low risk</b>	<b>1-3</b>	
<b>Low risk</b>	<b>4-8</b>	
<b>Medium risk</b>	<b>9-15</b>	
<b>High risk</b>	<b>16-20</b>	
<b>Critical risk</b>	<b>25</b>	

#### Action Key:

<b>In progress</b>	
<b>Complete</b>	
<b>Overdue</b>	

Thursday 8<sup>th</sup> December 2018

## Audit Scotland Reports on Integration

Item number: 5.3

### Executive summary

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This report brings to the attention of the Committee two recent reports by Audit Scotland on the progress with integration - *Health and Social Care Integration –An Update on Progress* and *NHS in Scotland 2018*

***Committee members are asked to:***

- 1. Note the publication of two Audit Scotland Reports on Integration*
- 2. Note the proposal to prepare a report for a future IJB meeting on how the Midlothian Partnership is performing in relation to the key recommendations of these reports*

## Audit Scotland Reports on Integration

### 1. Purpose

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This report summarises the findings of two Audit Scotland reports regarding progress with health and social care integration .

### 2. Recommendations

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Committee members are asked to

- 1 Note the publication of two Audit Scotland Reports on Integration
- 2 Approve the proposal to report to a future meeting of the IJB any lessons and actions required in Midlothian as a result of these reports

### 3. Background and main report

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#### **Health and Social Care Integration –An Update on Progress**

- 3.1 This report was prepared by Audit Scotland and published on 15<sup>th</sup> November 2018 [/health-and-social-care-integration-update-on-progress](#)
- 3.2 **Key Messages:** The report highlights that a stronger commitment is needed to collaborative working to achieve the long-term benefits of integration. It goes on to say that change will not happen without meaningful engagement with staff, communities and politicians. The report is also critical of financial planning arrangements being neither integrated nor long-term.
- 3.3 In summarising the key features that must be addressed if integration is to make a meaningful difference to the people of Scotland, the report notes the following:
  - Collaborative leadership and building relationships
  - Integrated finances and financial planning
  - Effective strategic planning for improvement
  - Agreed governance and accountability arrangements
  - Ability and willingness to share information
  - Meaningful and sustained engagement
- 3.4 A development session was held with NHS Lothian senior executive colleagues, IJB Chief Officers, chairs and vice chairs and Council Chief Executives within the Lothian area on 4 December to discuss the report in more detail and a verbal update on the output from this meeting will be shared with the Committee.



## **NHS in Scotland 2018**

- 3.5 This report was prepared by Audit Scotland and was published in October 2018  
[nhs-in-scotland-2018](#)
- 3.6 Key Messages: The report concludes that NHS urgently needs to change by moving away from "short-term fire-fighting" to "long-term fundamental change" and goes on to say that in the longer term the NHS is not in a financially sustainable position.

## **4 Policy Implications**

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- 4.1 The Audit Scotland reports are both focussed upon the issues surrounding the implementation of the Public Bodies (Joint Working)(Scotland) Act 2014

## **5 Equalities Implications**

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- 5.1 There are no equalities implications arising from this report

## **6 Resource Implications**

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- 6.1 There are no resource implications arising from this report.

## **7 Risks**

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- 7.1 The implementation of the integration of health and social care is a complex agenda and it is important to learn the lessons from national reviews.

## **8 Involving People**

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- 8.1 This report summarises the findings of Audit Scotland Reports and as such there has been no requirement to involve people although the findings of these reports were included in a recent development session for IJB members.

## **9 Background Papers**

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<b>DATE</b>	26/11/2018

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Thursday 6<sup>th</sup> December 2pm

## Scottish Government Medium Term Health and Social Care Financial Framework

Item number: 5.4

### Executive summary

*This report brings to the attention of the Committee the recent Scottish Government publication of its Medium Term Health and Social Care Financial Framework.*

**Committee members are asked to:**

1. *Note the publication of the Financial Framework*

## Scottish Government Medium Term Health and Social Care Financial Framework

### 1. Purpose

This report summarises the recent publication by Scottish Government of its medium term health and social care financial framework.

### 2. Recommendations

Committee members are asked to

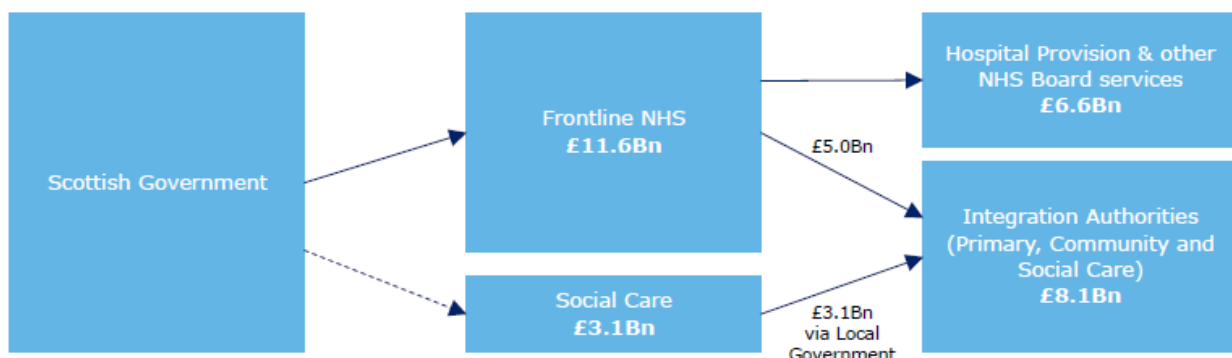
- 1 Note the publication of the Financial Framework
- 2 Note the key messages as a result of these reports

### 3. Background and main report

- 3.1 The Scottish Government Medium Term Health & Social Care Financial Framework was announced by the Cabinet Secretary for Health and Sport in a Ministerial Statement in Parliament on Thursday 4 October. The publication of the report followed <https://www.gov.scot/publications/scottish-government-medium-term-health-social-care-financial-framework/>

#### Key Messages:

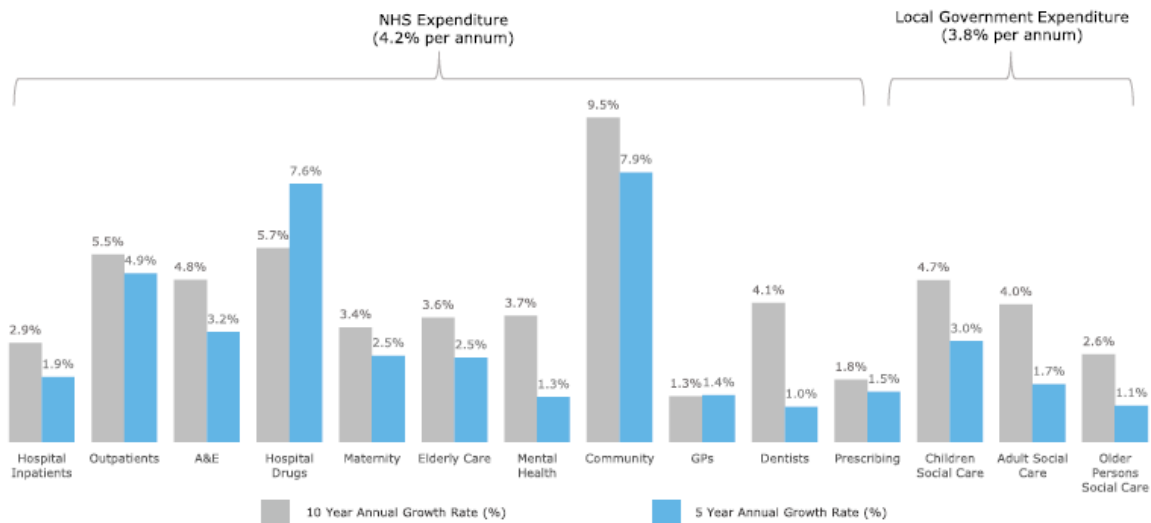
- 3.2 The financial framework provides parameters for local systems to plan both financially and for reform. Nationally over £14 billion of funding is invested into frontline healthcare and social care services of which £8 billion flows into integration authorities.



Source:  
Scottish Government Medium Term Health and Social Care Financial Framework

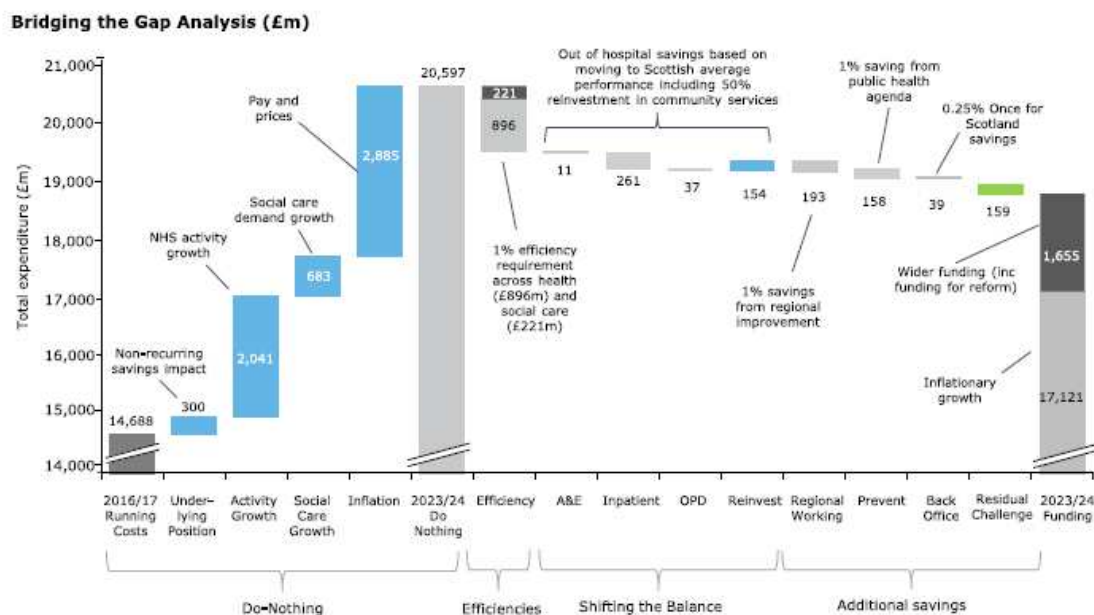
Published by The Scot

- 3.3 The framework highlights national historical expenditure trends showing growth as much as 9.5% for community services over the past 10 years and for that reason such levels of growth therefore require the need for reform.



Source:  
Scottish Government Medium Term Health and Social Care Financial Framework

- 3.4 The five reform areas of health and social care highlighted as contributing are shifting the balance of care (a move out of acute hospital based care to local community provisions), regional working – providing productivity savings of 1%, public health and prevention – delivering a 1% reduction in demand, once for Scotland – assuming 0.25% reduction in costs and annual savings plans – a 1% assumption around delivering the ongoing productivity and efficiency savings on an annual basis.



Source:  
Scottish Government Medium Term Health and Social Care Financial Framework

- 3.5 There is ongoing dialogue nationally with Chief Finance Officers, Scottish Government and COSLA to review and move forward this framework.

## 4. Policy Implications

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- 4.1 The framework focuses on supporting the implementation of the Public Bodies (Joint Working)(Scotland) Act 2014.

## 5. Equalities Implications

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- 5.1 There are no equalities implications arising from this report

## 6. Resource Implications

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- 6.1 There are no resource implications arising from this report.

## 7 Risks

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- 7.1 There are no risks associated.

## 8 Involving People

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- 8.1 There are no direct implications for involving people as a result of this report.

## 9 Background Papers

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- 9.1 None

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<b>DATE</b>	November 2018

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