

**NOT YET ENDORSED AS A CORRECT RECORD**

**Minute of Meeting of the East Renfrewshire Integration Joint Board  
Performance and Audit Committee held on Wednesday 25 September 2024 at  
1.00p.m. in the Council Chamber, East Renfrewshire Council, Eastwood Park,  
Rouken Glen Road, Giffnock.**

**PRESENT**

Mehvish Ashraf	NHS Greater Glasgow and Clyde Board (Chair)
Councillor Katie Pragnell	East Renfrewshire Council
Councillor Caroline Bamforth	East Renfrewshire Council
Anne Marie Kennedy	Non-voting IJB Member
Martin Cawley	NHS Greater Glasgow and Clyde Board (online)

**IN ATTENDANCE**

Lesley Bairden	Chief Financial Officer IJB
Michelle Blair	Chief Auditor (East Renfrewshire Council)
Lesleyann Burns	Assistant Democratic Services Officer
Pamela Gomes	Governance and Compliance Officer
Julie Murray	Chief Officer IJB
Margaret Phelps	Strategic Planning, Performance and Commissioning Manager
Steven Reid	Policy, Planning and Performance Manager
Grace Scanlin	Ernst & Young (online)
Lynne Siddiqui	Community Rehabilitation Team Lead
Barry Tudhope	Democratic Services Manager

**APOLOGIES FOR ABSENCE**

None

**1. WELCOME AND INTRODUCTION**

- 1.1 The Chair introduced herself and welcomed everyone to the meeting of the Integration Joint Board Performance and Audit Committee.

**2. DECLARATIONS OF INTEREST**

- 2.1 There were no declarations of interest intimated.

**3. MINUTE OF PREVIOUS MEETING: 26 JUNE 2024**

- 3.1 The Committee considered and approved the Minute of the meeting held on 26 June 2024.

**4. MATTERS ARISING**

- 4.1 The Committee considered a report by the Chief Officer providing an update on matters arising from discussions that had taken place at the previous meeting.

- 4.2 The Chief Financial Officer confirmed that following the June meeting of the Performance and Audit Committee, the East Renfrewshire Integration Joint Board subsequently approved the Unaudited Annual Report and Accounts and these were submitted to Ernst & Young by the statutory deadline of 30 June 2024.
- 4.3 The Annual Performance Report was also approved and published on the Health and Social Care Partnership website.
- 4.4 The Chief Financial Officer also reported that Martin Cawley had agreed to join the Performance and Audit Committee following changes to NHS Greater Glasgow and Clyde Non-Executive Directors on the Integration Joint Board. She further reported that the Integration Joint Board would be asked to homologate Martin's appointment to the Performance and Audit Committee at its meeting later in the day.
- 4.5 The Committee agreed to note the report.

## **5. ROLLING ACTION LOG**

- 5.1 The Committee considered a report by the Chief Officer providing details of all open actions and those that had been completed, or removed from the log, since the last meeting.
- 5.2 The Chief Financial Officer informed the Committee that five actions had been completed since the last meeting of the Performance and Audit Committee. She also provided updates on the actions that are still open. Notably, she highlighted the ongoing and positive discussions with colleagues from NHSGCC Health Board and the Chief Finance Officers Group regarding Action 82, which focuses on improving the NHS audit process. Additionally, she mentioned plans for a more comprehensive review of the Strategic Risk Register for Action 81 and the possibility of learning from Zurich following some work they had done with the Council's Corporate Management Team.
- 5.3 Action No. 31, concerning the Internal Audit Annual Report for 2020-21 and the Internal Audit Plan for 2021-22, is still with Police Scotland.
- 5.4 The Committee agreed to note the report.

## **6 ERNST AND YOUNG: IJB ANNUAL AUDIT REPORT YEAR ENDED 2023/24**

- 6.1 The Committee considered the Annual Audit Report Year Ended 2023/24 which had been prepared by Ernst & Young, the Integration Joint Board's External Auditors.
- 6.2 Grace Scanlin (Ernst & Young) advised that this was the second year that Ernst & Young had acted as the Integration Joint Board's External Auditor and highlighted key areas in the report, including:
  - a minor error on page 15 of the report where reference was made to "Glasgow City Council" and should read "East Renfrewshire Council".
  - no material uncertainties in relation to the going concern of the IJB.
  - Governance arrangements worked well throughout the year and that there was an appropriate level of challenge and scrutiny at meetings.
  - performance information was good and the Integration Joint Board received a good level of information.

- approach to Performance and Financial Management allows the demonstration of Best Value.
- 6.3 She also highlighted the RAG (Red, Amber, and Green) assessment used in the report. She acknowledged that 2023/24 had presented the most significant budget challenge to date and the IJB required to identify savings of over £7m to set a balanced budget and planned to use £1.9m of reserve balances. The IJB delivered £2.7m (39%) of their targeted savings and had entered financial recovery during the year. Additional contributions were received from both of the IJBs partners. As a result, the Auditors assessment for Financial Management was amber.
- 6.4 Similarly, the Board's reserve balances continued to fall significantly in 2023/24 to an unsustainable level and as at 31 March 2024 reserves were fully depleted. A savings requirement of £11.9 million had been set in the 2024/25 budget but delivery was currently off target, which could result in an additional recurring pressure in future years and as such the Auditor's assessment for Financial Sustainability was red.
- 6.5 Grace Scanlin thanked the Chief Financial Officer and her team for their work throughout the audit and for their assistance in preparing the report.
- 6.6 Committee members enquired about the performance of other Integration Joint Boards and whether the Auditors were seeing a similar picture across Scotland. Grace Scanlin confirmed that Audit Scotland were aware of five IJBs across Scotland that had no general reserves available to meet future unexpected cost pressures. She also highlighted that the next iteration of the report would take a whole systems approach recognising the impact on both Health Board and Council.
- 6.7 The Chief Officer expressed her disappointment regarding the amber score for Financial Management, noting that the savings requirement had been the highest she had ever encountered. She also acknowledged that the impact and timeframe of the changes required to implement the Supporting People Framework had been underestimated. Additionally, she pointed out that developing a sustainable medium-term plan would be challenging and couldn't be managed by Integrated Joint Boards alone. Consequently, she welcomed the whole systems approach for the next report.
- 6.8 The Chief Financial Officer also highlighted that the regular financial monitoring reports would allow IJB and PAC members to have oversight of the financial position and scrutinise finances going forward.
- 6.9 Committee members thanked Grace Scanlin for the report.
- 6.10 The Committee agreed to a) note the content of the External Auditor's report; and b) note that the report would be considered by the Integration Joint Board later in the day.

## **7. INTERNAL AUDIT ANNUAL REPORT AND OPINION 2023/24**

- 7.1 The Committee considered a report by the Chief Auditor which provided an independent opinion on the adequacy and effectiveness of the governance, risk management and internal controls systems operating within the Integration Joint Board during 2023/24.
- 7.2 The Chief Auditor advised that the Integration Joint Board's control environment was informed by a number of sources, primarily the work carried out by the internal audit services of East Renfrewshire Council and NHS Greater Glasgow and Clyde. No significant issues were noted within the NHS or Council Annual Governance Statements

and therefore reasonable assurance could be placed on the framework of governance, risk management and internal controls which operated in the East Renfrewshire Integration Joint Board in the year to 31 March 2024.

7.3 The Committee agreed to note the report.

## **8. AUDITED ANNUAL REPORT AND ACCOUNTS 2023/24**

8.1 The Committee considered a report by the Chief Financial Officer, which provided an overview of the audited annual report and accounts for the Integration Joint Board (IJB) covering the period 1 April 2023 to 31 March 2024.

8.2 The Chief Financial Officer advised that the report confirms the position as presented by Ernst & Young and the work of the IJBs Chief Internal Auditor and confirms that the annual report and accounts for 2023/24 has an unqualified audit opinion and that no changes to the financial statements were required. The audit work also confirms that we have met legislative requirements, we address best value and have appropriate governance in place.

8.3 The Chief Financial Officer highlighted that given 2023/24 was a difficult year on many levels for the IJB, particularly with the challenges of financial recovery, she was pleased with the result. However there are some difficult messages within the accounts and report and from the Ernst & Young audit as we have heard.

8.4 Paragraph 12 of the report summarises the key messages from Ernst & Young along with the Red, Amber or Green RAG rating and whilst the financial statements, going concern, vision leadership and governance along with use of resources are all rated green there is one red and one amber.

8.5 The Chief Financial Officer confirmed that no changes were required to the financial statements however during the time period between the un-audited and final accounts there was a small change to the extended going concern accounting policy note on page 60 of the Auditor's report to reflect the extent of the challenge in the short term financial period to March 2026.

8.6 She also highlighted that paragraph 17 of the cover report details the one recommendation made by Ernst & Young around financial planning and the HSCPs response. The main messages from the report and accounts remain unchanged from the position presented to the June meeting of the Committee which is set out from paragraph 19 onwards.

8.7 It remains no surprise that financial recovery is the lead message for the year, both in the management commentary and in the governance statement. The challenges ahead recognise the scale of savings needed in 2024/25 and that the unachieved savings and operational pressures taken forward from 2023/24 must be resolved in 2024/25.

8.8 She confirmed that the IJB ended the year with an overspend of £4.7 million and this was funded through non-recurring support from both partners £2.6 million from East Renfrewshire Council and £2.1 million from NHS Greater Glasgow Clyde.

- 8.9 Paragraph 24 of the report summarises the main variances to the budget, prior to the additional support and this is in line with reporting throughout the year.
- 8.10 The Chief Financial Officer highlighted that paragraphs 26 to 30 in the report give an overview of our reserves position and the most important point to note is that we are in breach of our own reserves policy; this states we should hold a general reserve at 2% of our budget, as with prior years.
- 8.11 The ring-fenced and earmarked reserves held are for specific purposes and commitments and have featured in recovery discussions with partners.
- 8.12 The Chief Financial Officer advised that she and the Chair of the Performance and Audit Committee would sign the required letter of representation to the Auditors which was attached as an Appendix to the report. The IJB would then be asked to approve the annual report and accounts for subsequent signing and submission to Ernst & Young.
- 8.13 The Chief Officer then thanked Audit colleagues for their support and professionalism and also thanked the officers in the HSCP who supported all the work involved in the annual process.
- 8.14 Committee members highlighted the helpfulness of the management commentary and that whilst Health and Social Care Partnerships were operating in difficult circumstances there were a lot of positives in the report and that is important to acknowledge that.
- 8.15 The Committee agreed a) agreed to remit the audited reports and accounts to the Integration Joint Board for approval; and b) to note the summary overview of financial performance document for 2023/24 prior to publication on the Integration Joint Board website.

## **9. QUARTER 1 PERFORMANCE UPDATED 2024-25**

- 9.1 The Committee considered a report presented by the Policy, Planning and Performance Manager on key performance measures relating to the delivery of the strategic priorities set out in the Health and Social Care Partnership Strategic Plan 2022-25.
- 9.2 The Policy, Planning and Performance Manager highlighted that the HSCP continues to operate at a high level of performance across service areas, despite continuing challenges and pressures. He emphasised a number of performance highlights, including:
- The HSCP was performing ahead of the national average in terms of supporting independence and rebalancing care.
  - Waiting times for alcohol and drug recovery services improved for the second quarter in a row.
  - Unplanned hospital attendances and admissions remain stable and within target.
  - Hospital discharges and bed days lost continue to be a priority for the HSCP.
- 9.3 He also highlighted areas that remain challenging, including:

- A lower number of people coming through the reablement services.
- Reduction in people accessing psychological services therapies within 18 weeks.
- Managing Sickness absence remains a priority but there are improvements.
- The percentage of people accessing psychological therapies within 18 weeks saw a reduction in quarter 1.
- Compliance with NHS knowledge and skills framework training requirements is below target.

9.4 The Chief Officer highlighted that the sickness absence in terms of care at home staff has improved with significant support being provided to managers in terms of following processes.

9.5 Discussion also took place on work being done in terms of Care Homes and emergency hospital admission and it was highlighted that there is a significant amount of training taking place with care home staff around this and in terms of dealing with individuals and their families in developing future care plans.

9.6 The Committee agreed to note the quarter one performance update.

## 10. **COMMISSIONED SERVICES**

10.1 The Committee considered a report by the Strategic Planning, Performance and Commissioning Manager on current arrangements in place to commission health and care services with external partners.

10.2 The Strategic Planning, Performance and Commissioning Manager highlighted that the HSCP Strategic Planning Group at their meeting on 29 August 2024 approved the arrangements for the light touch review of the Strategic Plan. This review will include an update on the Strategic Commissioning Plan. There will be an engagement programme during autumn 2024 culminating in a 6 week consultation period from December 2024 and a final draft of the Strategic Plan will be presented to the Integration Joint Board by March 2025.

10.3 Scotland Excel commenced the review of the care and support framework in early 2024 with the intention to renew by 1st April 2024. As part of the renewal process, providers were able to submit revised costings on their delivery of care and increased costs for HSCPs as purchasers of care. Nationally, HSCPs expressed their concern over the ability of IJBs to meet the increased costs given the current financial challenges. This resulted in extended negotiation both nationally and locally with a resulting delay in the renewal date to end September 2024.

10.4 Paragraph 21 of the report set out a range of collaborative commissioning opportunities where the HSCP has worked partners and stakeholders together with updates on this work.

10.5 The Chief Officer and Committee Members thanked the Commissioning Team for their work on the report.

10.6 The Committee agreed to note the report.

## **11. AUDIT UPDATE**

- 11.1 The Committee considered a report by the Chief Financial Officer on Audit Activity relating to the Integration Joint Board since the last meeting of the Performance and Audit Committee in June 2024.
- 11.2 The Chief Financial Officer confirmed that three audits have been completed by the Chief Auditor and her team with details at paragraphs 10 through 16.
- 11.3 She also advised that in June there had been a total of 49 recommendations, now reduced to 37, reflecting that 23 recommendations are now verified closed and 11 new recommendations have been added. Details of movements were summarised at paragraphs 17 to 21. The table at paragraph 22 shows that of the current 37 recommendations, 16 are considered closed pending verification.
- 11.4 The Chief Internal Auditor also confirmed that further actions at appendices 2E, 2H, 2I had been closed since the report was written and this will be reflected in the next report.
- 11.4 Appendix 2 provided the full detail of all current recommendations and any relevant updates and Appendix 3 provided a summary of NHS audit activity.
- 11.5 The Committee noted the report.

## **12. ANNUAL POLICY UPDATE**

- 12.1 The Committee considered a report from the Strategic Commissioning, Planning and Performance Manager provided an update on the assessment of policies related specifically to the governance of the Integration Joint Board.
- 12.2 It was noted that the review of the Integration Schemes for all six HSCPs remained ongoing. The Risk Policy and Strategy for the Integration Joint Board is currently under review, and a revised policy is expected to be submitted for approval to the Integration Joint Board by the end of the financial year.
- 12.3 Minor adjustments have been made to both the Freedom of Information (FOI) Policy and Publication Scheme, and the Records Management Plan for the Integration Joint Board. Given the changes are insignificant there is no need to formally present these to the Integration Joint Board for approval.
- 12.4 The Chair thanked the Strategic Commissioning, Planning and Performance team for their work in reviewing policies. She also noted that it had been several years since the Standing Orders had been reviewed and requested that a review of these be incorporated into the future work programme.
- 12.5 The Committee agreed to a) note the report and b) that a review of Standing Orders should take place in the coming year.

## **13 INTEGRATION JOINT BOARD: STRATEGIC RISK REGISTER UPDATE**

- 13.1 The Committee considered a report by the Chief Financial Officer on the Integration Joint Board Strategic Risk Register.

13.2 The Chief Financial Officer indicated that since the June 2024 meeting of the Performance and Audit Committee, there had been no new risks added or existing risks removed, and the scoring of one risk had been reduced. She emphasised that financial sustainability continues to be rated as red after all mitigating factors are taken into account.

13.3 Updates on existing risks were detailed in paragraphs 11 to 19 of the report. The Chief Financial Officer also reminded the Committee that, as per the Rolling Action Log (Item 5 above), there will be a review of the Strategic Risk Register approach, which will include examining the relationship with partner registers.

13.4 The Committee agreed to note the report.

The Chair thanked everyone for their attendance at the meeting and advised that she was looking forward to working with the other members of the Committee in future.

The meeting ended at 14:08

**CHAIR**