



Sally Shaw

Chief Officer

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Orkney Integration Joint Board

Thursday, 13 September 2018, 11:00.

Council Chamber, Council Offices, School Place, Kirkwall.

Minute

Present

Voting Members:

- David Drever (Chair), NHS Orkney.
- Councillor Rachael A King (Vice Chair), Orkney Islands Council.
- Ian Kinniburgh, NHS Orkney (substitute for proxy).
- Issy Grieve, NHS Orkney.
- Councillor John T Richards, Orkney Islands Council.
- Councillor Stephen Sankey, Orkney Islands Council.

Non-Voting Members:

Professional Advisers:

- Sally Shaw, Chief Officer.
- Pat Robinson, Chief Finance Officer.
- Dr Louise Wilson, Registered Medical Practitioner not a GP, NHS Orkney.

Stakeholder Members:

- Gail Anderson, Third Sector Representative.
- Janice Annal, Service User Representative.
- Frances Troup, Head of Housing, Homelessness and Schoolcare Accommodation Services, Orkney Islands Council.

Clerk

- Hazel Flett, Senior Committees Officer, Orkney Islands Council.

In Attendance

- Katharine McKerrell, Solicitor, Orkney Islands Council.

1. Apologies

Apologies for absence had been intimated on behalf of the following:

- Davie Campbell, NHS Orkney.
- Meghan McEwen, NHS Orkney (proxy).
- Dr Kirsty Cole, Registered GP, NHS Orkney.
- Scott Hunter, Chief Social Work Officer, Orkney Islands Council.
- David McArthur, Registered Nurse, NHS Orkney.
- Sandra Deans, Carer Representative.
- Sally George, Staff Representative, Orkney Islands Council.
- Fiona McKellar, Staff Representative, NHS Orkney.
- Ashley Catto, HR Manager, NHS Grampian.

David Drever, at his first meeting as Chair of the Board, welcomed everyone to this special meeting, convened to consider the revised draft annual accounts and introduced Sally Shaw, the newly appointed Chief Officer. All those present then introduced themselves.

2. Declarations of Interest

There were no declarations of interest intimated in respect of items of business to be discussed at this meeting.

3. Draft Annual Accounts

There had been previously circulated the revised draft Annual Accounts for the year ended 31 March 2018.

The Chief Finance Officer advised that the purpose of the annual accounts was to demonstrate proper stewardship and present an unbiased view of the financial affairs of the Integration Joint Board. The drafting of the accounts had followed the external audit process, with the initial draft accounts presented to the Audit Committee on 30 August 2018, which, although containing all the relevant information, was not considered a readable document, therefore the draft accounts had been revised and were now presented to the Board for scrutiny.

In response to matters raised at the Audit Committee on 30 August 2018, the Chief Finance Officer confirmed the following:

- Further clarification was given in respect of the Rapid Mobile Responder service.
- Information relating to the Child and Adolescent Mental Health service was included on pages 8 and 11.
- Information on the financial year end position, together with the financial outlook, was detailed on pages 10 and 11.

As Chair of the Audit Committee, Councillor Stephen Sankey felt strongly regarding the presentation and advised that he had made his feelings known at the meeting of the Audit Committee. He repeated his opinion that pages 9 and 10 was the first mention that the Board was not achieving at least a breakeven budget at year end.

The issue of overspends and the difficulties in achieving a balanced budget should jump out more easily, and the message also required to be made strongly to the Convention of Scottish Local Authorities, integration authority contacts within the Scottish Government and members of the public. This was the second year with a budget deficit and the situation was not going to go away. David Drever suggested that presentation of the accounts may be quite strict, but the Chief Finance Officer again agreed to speak with the External Auditors, who had previously confirmed they were satisfied with the redrafted Annual Accounts as presented.

Councillor Rachael King, although appreciative of Councillor Sankey's comments, was content with the presentation of the accounts and the narrative within and referred particularly to the Child and Adolescent Mental Health services where a review was currently ongoing. Further, the three strategic projects referred to on page 5, although remitted by the Board to the Strategic Planning Group, were proving challenging to progress, due to regulatory constraints and constant legislative change.

With regard to unplanned admissions and the set aside budget, Ian Kinniburgh advised that the Board of NHS Orkney intended to look carefully at unscheduled care, in order to allocate a budget to the Integration Joint Board with a view to moving away from a "set aside" budget which, in his opinion, should not apply locally, as both boards were coterminous. Further, he suggested that it may be helpful for the Council to undertake a similar review. Finally, NHS Orkney had agreed to accelerate its budget setting process to bring it into line with the Council's process. The Health Board currently had five-year assumptions which would be used as the basis for initial budget setting purposes.

Janice Annal referred to the information at the top of page 7, regarding recruitment and feedback that there were shortages in the rental market. Frances Troup responded that this was due primarily to the new hospital build, therefore could be seen as a temporary issue. However, the Local Housing Strategy was currently under review and she was working closely with partner agencies to see what was required in terms of key worker housing.

In respect of Scottish budget announcements referred to on page 12, Janice Annal asked what the effect would be if funding to the Integration Joint Board was not ring fenced. The Chief Finance Officer advised that, with both partners liable to be receiving reduced funding going forward, the Integration Joint Board could not assume it would receive protection of its current funding levels.

Councillor John Richards sought clarity on what would happen should savings not be identified. The Chief Finance Officer advised that, in terms of the Integration Scheme, the Board was required to have a Recovery Plan to balance at the year end. The Recovery Plan could include measures to get back to a balanced budget within a period of up to three years. Should this not be achieved, either partner had to provide additional funding and, if that did occur, they had the option to then reduce funding by an equivalent amount in the following financial year.

The following typographical errors and omissions were noted in the revised draft accounts:

- Page 1 – the Third Sector Representative was omitted for the list of Board members.
- Page 3 – reference to the Chief Officer in section 1, Introduction.
- Page 10 – labels on the graph to be amended as some text missing.
- Page 13 – the first risk contained a double negative.
- Page 13 – delete “some” from the last sentence in the last section of risk reductions.
- Pages 15, 16, 19 and 24 – Chair to be amended to include “Audit Committee” to differentiate from the Chair of the Board.
- Page 21 – Governance Principle B – “Principle” spelt incorrectly.
- Page 22 – Governance Principle E – include reference to networking groups for Chairs and Vice Chairs of Integration Joint Boards.
- Page 23 – Governance Principle G – delete “the relevant” from the fifth line of the first paragraph.
- Page 30 – remove the first “regarding” from the final sentence of the last paragraph.

The Board noted:

3.1. That integration joint boards were specified in legislation as section 106 bodies in terms of the Local Government (Scotland) Act 1973 and consequently were expected to prepare their financial statements in compliance with the Code of Practice on Accounting for Local Authorities in the United Kingdom.

3.2. The Management Commentary, comprising pages 3 to 15 of the draft annual accounts, which provided an overview of the most significant matters reported in the annual accounts for financial year ended 31 March 2018.

The Board reviewed:

3.3. The Annual Governance Statement, comprising pages 20 to 24 of the draft Annual Accounts for financial year 2017 to 2018, together with the overall draft accounts, noting that the final accounts, incorporating the typographical errors and omissions outlined above, would be considered by the Audit Committee on 26 September 2018 for approval and sign off.

4. Conclusion of Meeting

There being no further business, the Chair declared the meeting concluded at 11:30.