



Moray Integration Joint Board

Thursday, 31 January 2019

Inkwell Main, Elgin Youth Café

NOTICE IS HEREBY GIVEN that a Meeting of the **Moray Integration Joint Board** is to be held at **Inkwell Main, Elgin Youth Café, Francis Place, Elgin, IV30 1LQ** on **Thursday, 31 January 2019** at **09:30** to consider the business noted below.

AGENDA

- 1 Welcome and Apologies**
- 2 Declaration of Member's Interests**
- 3 Minute of Meeting dated 29 November 2018** **5 - 14**
- 4 Action Log of Meeting dated 29 November 2018** **15 - 16**
- 5 Moray Integration Joint Board Meeting Dates 2019.20** **17 - 22**
Update
Report by the Chief Officer
- 6 Review of Committee Appointments** **23 - 24**
Report by the Legal Services Manager (Litigation & Licensing), Moray Council
- 7 Reserves Policy - Review** **25 - 34**
Report by the Chief Financial Officer
- 8 Minute of Meeting of Audit, Performance and Risk** **35 - 38**
Committee dated 27 September 2018

9 Items for the Attention of the Public

Items which the Board will consider with the Press and Public excluded

10 Shopmobility Moray

- Information relating to staffing matters;

11 Moray Handyperson Services

- Information relating to staffing matters;

MORAY INTEGRATION JOINT BOARD

MEMBERSHIP

Councillor Shona Morrison (Chair)	Moray Council
Mr Jonathan Passmore (Vice-Chair)	Non-Executive Board Member, NHS Grampian
Councillor Tim Eagle	Moray Council
Councillor Louise Laing	Moray Council
Mr Sandy Riddell	Non-Executive Board Member, NHS Grampian
Mrs Susan Webb	Executive Board Member, NHS Grampian

NON-VOTING MEMBERS

Ms Tracey Abdy	Chief Financial Officer, Moray Integration Joint Board
Mr Ivan Augustus	Carer Representative
Ms Elidh Brown	tsiMORAY
Mr Sean Coady	Head of Primary Care, Specialist Health Improvement and NHS Community Children's Services, Health and Social Care Moray
Mr Tony Donaghey	UNISON, Moray Council
Ms Pamela Gowans	Chief Officer, Moray Integration Joint Board
Mrs Linda Harper	Lead Nurse, Moray Integration Joint Board
Mr Steven Lindsay	NHS Grampian Staff Partnership Representative
Ms Jane Mackie	Chief Social Work Officer, Moray Council
Dr Malcolm Metcalfe	Deputy Medical Director, NHS Grampian
Dr Graham Taylor	Registered Medical Practitioner, Primary Medical Services, Moray Integration Joint Board
Mrs Val Thatcher	Public Partnership Forum Representative
Dr Lewis Walker	Registered Medical Practitioner, Primary Medical Services, Moray Integration Joint Board

Clerk Name: Caroline Howie
Clerk Telephone: 01343 563302
Clerk Email: caroline.howie@moray.gov.uk



MINUTE OF MEETING OF THE INTEGRATION JOINT BOARD

Thursday, 29 November 2018

Inkwell Main, Elgin Youth Café, Francis Place, Elgin, IV30 1LQ

PRESENT

Ms Tracey Abdy, Mr Ivan Augustus, Ms Elidh Brown, Ms Pam Gowans, Councillor Louise Laing, Mr Steven Lindsay, Dr Malcolm Metcalfe, Councillor Shona Morrison, Mr Jonathan Passmore, Mr Sandy Riddell, Dr Graham Taylor, Mrs Val Thatcher, Dr Lewis Walker, Mrs Susan Webb

APOLOGIES

Councillor Tim Eagle, Ms Jane Mackie

IN ATTENDANCE

Mr Jonathan Passmore (substitute for Dame Anne Begg); Ms Jeanette Netherwood, Corporate Manager; Ms Heidi Tweedie, tsiMoray; Ms Pauline Knox, Senior Commissioning Officer; Ms Rosemary Reeve, Interim Public Dental Service Manager; Ms Lesley Attridge, Service Manager; Dr P Kelly, Forres GP; Dr M Simmons, Forres GP; Mr Matt Offer, Advance Nurse Practitioner and Mrs Caroline Howie, Committee Services Officer as Clerk to the Meeting.

ALSO PRESENT

Councillor Leadbitter
Councillor Coull

1 Chair of Meeting

The meeting was chaired by Councillor Shona Morrison.

2 Welcome and Apologies

The Chair in noting there were members of the public present welcomed them to the meeting. She further welcomed the GPs from Forres and the Council Leader, Councillor Graham Leadbitter.

3 Declaration of Member's Interests

There were no declarations of Members' interests in respect of any item on the agenda.

4 Minute of Meeting dated 30 August 2018

The minute of the meeting of the Moray Integration Joint Board dated 30 August 2018 was submitted and approved.

5 Minute of Special Meeting dated 27 September 2018

The minute of the special meeting of the Moray Integration Joint Board dated 27 September 2018 was submitted and approved.

6 Action Log of Meeting dated 30 August 2018

The Action Log of the Moray Integration Joint Board dated 30 August 2018 was discussed and it was noted that all actions due had been completed.

7 Action Log of Meeting dated 27 September 2018

The Action Log of the special Moray Integration Joint Board dated 27 September 2018 was discussed and it was noted that all actions had been completed.

8 Chief Officers Report

A report by the Chief Officer (CO) provided the Board with an update on key priorities and projects.

The CO advised on national recognition received by teams within Health and Social Care Moray. Two awards had been received for posters advising of programmes to help improve health, the CO stated this was possible due to real collaboration and system working.

The Chair advised the Community Wellbeing Development Team had, only the previous day, been advised they were the recipients of the Colleagues Choice STAR (Special Thanks and Recognition) Award which formally recognises outstanding contributions of staff in Moray Council.

9 Chief Officers Operational Responsibilities

Under reference to paragraph 6 of the Minute of the meeting of 10 November 2016 a report by the Chief Officer asked the Board to consider an addition to the Chief Officer's operational responsibilities in relation to hospital services.

During discussion it was noted the Chief Officer's post is a demanding post and any additional workload would require to be kept under review.

Following further discussion the Board agreed to:

- i. approve the addition to the Chief Officer's operational responsibilities as detailed in section 4 and appendix 1 of the report; and
- ii. seek a further report in 12 months to review the Chief Officer's workload.

10 Review of Strategic Planning and Commissioning Group

Under reference to paragraph 5 of the Minute of the meeting dated 28 June 2018 a report by the Legal Services Manager (Litigation & Licensing), Moray Council, asked the Board to review part of the Board's Scheme of Administration, which deals with the Board's committee structure and working groups in relation to the Strategic Planning and Commissioning Group. The report further asked the Board to note the approach being set out in pursuit of a whole systems planning approach.

The Chair advised appendix 1 of the report should have been highlighted to show changes but that this was not evident on the paper copies issued only on the online version of the appendix.

The Chief Officer (CO) advised the changes noted online to those with paper copies of the appendix and the reasoning behind the suggested amendments.

Mr Passmore sought clarification on the CO having the authority to sign off work without the agreement of the Board.

In response the CO advised there had been many discussions on hosting services and the Board, as a Public Body, directed the NHS and Local Authority to undertake work, the CO did not have authority to do this without Board approval.

Mrs Webb was of the opinion the Plan would benefit from having decision making criteria included.

In response the CO advised the Plan was a first draft which would be refined to include decision making criteria.

Thereafter the Board agreed to:

- i. note the Strategic Planning and Commissioning Group arrangements attached as appendix 1 of the report;
- ii. changes to the arrangements as noted in appendix 1 of the report;
- iii. note the local and planned pan-Grampian approach to strategic planning and transformation;
- iv. note the Sustainability and Transformation Plan will be presented to the Board in the spring of 2019; and
- v. the inclusion of decision making criteria in the Plan.

11 Forres Neighbourhood Health and Social Services

Under reference to paragraph 6 of the Minute of the meeting dated 26 April 2018 a report by Lesley Attridge, Service Manager, informed the Board of the progression of the redesign of Health and Social Care Services in the Forres locality.

It was stated that a lot had been achieved since April 2018 and it had come time to seek permission to continue with the changes proposed. Public confidence and communication were seen as key elements in progressing the project. The Board acknowledged the work carried out to date and made reference to the focus now required in the next phase of the Forres transformation programme in establishing the principles of whole system working.

Lengthy discussion took place on the documentation supporting the evaluation process and the measured outcomes.

Thereafter the Board agreed to:

- i. note the progress to date of the development of Forres Locality Multi-disciplinary team as an evolving system in line with the key objectives of Health and Social Care Moray;
- ii. note the initial findings of the independent research undertaken by Dundee University in relation to the application of the Buurtzorg principles in developing the Forres Neighbourhood Care Team (FNCT), as noted in appendix 1 of the report;
- iii. note the initial findings of the independent research undertaken by Health Improvement Scotland (HiS) in relation to emergency admissions, readmissions and emergency bed days for the test of change, as noted in appendix 2 of the report;
- iv. note the initial findings of the independent research undertaken by the Improvement Hub, part of HiS, in relation to the economic impact of the Augmented Care Units (ACUs) and FNCT initiative, as noted in appendix 3 of

the report;

- v. the decommissioning and permanent closure of services at Leancoil Community Hospital;
- vi. support the continuation of the ACUs and the commissioning of Nursing Home beds for the Forres locality for the next 12 months as the local system evolves through the ongoing development of the transformation plan;
- vii. the Board liaising with the NHS Grampian Board to develop options to ensure that the building and site are most effectively utilised for the benefit of the local community; and
- viii. the revised direction attached as appendix 4 of the report.

Councillors Leadbitter and Coull left the meeting during discussion of this item.

12 Public Sector Climate Change Duties Reporting Submission 2017-18

Under reference to paragraph 7 of the Minute of the meeting dated 14 December 2017 a report by the Chief Officer presented the draft Moray Integration Joint Board Climate Change Duties Report submission for 2017/18.

Following discussion the Board agreed to approve the draft submission to Sustainable Scotland Network, attached as appendix 1 of the report, for the reporting year 2017/18.

13 Records Management Plan

A report by the Chief Officer presented the draft Moray Integration Joint Board records management plan.

Following discussion the Board agreed to approve the draft records management plan for submission to the Keeper of the Records of Scotland for agreement.

14 Transition to Adult Services Policy

A report by Joyce Lorimer, Integrated Services Manager, informed the Board of the completion of the updated Transition to Adult Services Policy.

Mr Riddell sought clarification on performance monitoring and where and how it was reported.

In response the Chief Officer advised it was reported through the Clinical and Care Governance Committee and she would discuss this with the author of the report with the possibility of providing a further report to the Board.

Following further discussion the Board agreed to:

- i. approve the use of the policy for its delegated functions; and
- ii. await the outcome of discussions between the Chief Officer and the Integrated Services Manager in respect of a possible further report to the Board.

15 Short Breaks Services Statement for Adult and Young Carers in Moray

A report by the Head of Service, Strategy & Commissioning, informed the Board of the statutory requirement for the production and publication of a Short Break Services Statement for Moray.

During discussion it was stated that in order to meet the deadline of 31 December 2018 for publication the Statement would initially be available online only, however if thought to be appropriate printed copies could be made available. Awareness sessions will be provided and circulation through current networks is planned.

Further discussion covered the need to ensure recipients were made aware that short breaks would be self-funding and limited to £300. It was advised the Statement was to ensure carers were made aware of opportunities that exist for them to have a break.

Thereafter the Board agreed to approve the Short Breaks Services Statement for publication as required under section 35 of the Carers (Scotland) Act 2016.

Dr Taylor left the meeting during discussion of this item.

16 Charging for Services

Under reference to paragraph 6 of the Minute of the meeting of the meeting dated 14 December 2017 a report by the Chief Financial Officer asked the Board to consider the charges for services for the 2019/20 financial year, attached as appendix 1 to the report.

Mr Passmore was of the opinion that services should be benchmarked against others to understand where the Board might reap benefit and the amount the services were being subsidised.

In response the Chief Financial Officer stated it would be possible to provide a report in six months time to include benchmarking. The Board were in agreement to a further report being presented.

Thereafter the Board agreed to:

- i. adhere to the request of Moray Council to recommend to them the charges for the services delivered within the delegated functions;

- ii. approve the charges set out in appendix 1 of the report for recommendation to Moray Council for approval and inclusion into the budget setting processes; and
- iii. seek a further report to the Board in six months.

17 Revenue Budget Monitoring Quarter 2 for 2018-2019

A report by the Chief Financial Officer updated the Board on the current Revenue Budget reporting position as at 30 September 2018 and a provisional forecast position for the year end.

During discussion of funding change it was stated that when the test pilot of 5 Augmented Care Units were agreed money was available however due to subsequent cuts the money is no longer available. It was further stated that a wider debate was required to understand whether something that looked unaffordable would provide longer term benefits.

Thereafter the Board agreed to:

- i. note the financial position of the Board as at 30 September 2018 is showing an overspend of £1,931,604;
- ii. note the provisional forecast position for 2018/19 of an overspend of £3,023,959 on core services;
- iii. note the progress on savings previously approved;
- iv. note the revisions to staffing arrangement dealt with under delegated powers and in accordance with financial regulations for the period 1 July to 30 September 2018 as shown in appendix 3 of the report; and
- v. approve for issue, the revised Directions shown in appendices 4 and 5 of the report to NHS Grampian and Moray Council respectively.

18 Financial Recovery Plan

A report by the Chief Financial Officer provided the Board with details of the immediate mitigating actions proposed to achieve financial balance in 2018/19 and the plans to address the over-riding overspend in future years.

The Board joined the Chair in thanking the Chief Financial Officer for the work involved in producing the report and thereafter the Board agreed to note the:

- i. management action being taken to reduce the forecast overspend in the current financial year; and
- ii. financial recovery plan agreed with the Director of Finance, NHS Grampian

and the Head of Financial Services, Moray Council, designed to address the overspend on core budget in the current financial year and beyond.

Dr Metcalfe left the meeting during discussion of this item.

Mr Lindsay left the meeting at this juncture.

19 Annual Report of the Chief Social Work Officer 2017-2018

A report by the Chief Social Work Officer informed the Board of the annual report of the Chief Social Work Officer on the statutory work undertaken on the Council's behalf during the period 1 April 2017 to 31 March 2018 inclusive. The report considered major policy and service initiatives across Social Work during the reporting period, summarised key issues in relation to governance and protection issues and advised the Board on measures taken to strengthen workforce and was duly noted.

20 Surge Plan 2018-19

A report by Rosemary Reeve, Interim Public Dental Service Manager, informed the Board of the Health and Social Care Moray, Dr Gray's hospital and the GMed Surge Plans for 2018/19.

Following discussion the Board agreed that Health and Social Care Moray, Dr Gray's Hospital and GMed have robust and deliverable plans to manage the pressures of surge at any time of the year including the Winter/Festive period.

21 Minute of Meeting of Clinical and Care Governance Committee dated 31 May 2018

The Minute of the meeting of the Clinical and Care Governance Committee dated 31 May 2018 was submitted and noted.

22 Minute of Meeting of Audit Performance and Risk Committee dated 26 July 2018

The Minute of the meeting of the Audit, Performance and Risk Committee dated 26 July 2018 was submitted and noted.

23 Items for the Attention of the Public

Under reference to paragraph 10 of the Minute of the meeting of the Board dated 26 October 2017 the Board agreed that the following items be brought to the attention of the public:

- i. Leancoil Hospital and the work of the Forres Team; and
- ii. Short Breaks Services Statement for Adult and Young Carers in Moray.



MEETING OF MORAY INTEGRATION JOINT BOARD

ITEM 4

THURSDAY 29 NOVEMBER 2018

ACTION LOG

ITEM NO.	TITLE OF REPORT	ACTION REQUIRED	DUE DATE	ACTION BY
1.	Chief Officer Operational Responsibilities	Submit further report in 12 months to review the Chief Officer's workload.	30 January 2020	Standards Officer
2.	Review of Strategic Planning and Commissioning Group	Sustainability and Transformation Plan to be presented to the Board in spring 2019. Include decision making criteria in the Sustainability and Transformation Plan.	27 June 2019 27 June 2019	Pam Gowans Pam Gowans
3.	Forres Neighbourhood Health and Social Services	Liaise with the NHS Grampian Board to develop options to ensure that the Leancoil building and site are most effectively utilised for the benefit of the local community.	December 2018	Pam Gowans
4.	Transition to Adult Services Policy	Discuss the possibility of a further report to the Board.	28 March 2019	Pam Gowans
5.	Charging for Services	Submit further report in six months.	27 June 2019	Tracey Abdy
6.	Revenue Budget Monitoring Quarter 2 for 2018-2019	Issue revised Directions to NHS Grampian and Moray Council.	29 November 2018	Pam Gowans
7.	Items for the Attention of the Public	Leancoil Hospital and the work of the Forres Team Short Break Services Statement for Adult and Young Carers in Moray	Dec 2018	Fiona McPherson



REPORT TO: MORAY INTEGRATION JOINT BOARD ON 31 JANUARY 2019

**SUBJECT: MORAY INTEGRATION JOINT BOARD MEETING DATES 2019/20
UPDATE**

BY: PAM GOWANS, CHIEF OFFICER

1. REASON FOR REPORT

- 1.1 To amend the schedule of meetings of the Moray Integration Joint Board (MIJB), the Audit, Performance and Risk Committee and the Clinical & Care Governance Committee for 2019/20.

2. RECOMMENDATION

- 2.1 It is recommended that the MIJB approves the:

- i) proposed amendments to the schedule of meetings for the MIJB; and
- ii) updated schedule of meetings for MIJB, Audit, Performance & Risk Committee and the Clinical & Care Governance Committee for 2019/20 all as shown in Appendix 1 attached.

3. BACKGROUND

- 3.1 The purpose of the meeting timetable is to ensure key dates for formal business are accounted for when setting meeting dates and to avoid, where possible, the creation of Special meetings to conduct formal business during development sessions.
- 3.2 A timetable of meetings for the MIJB for 2019/20 was agreed at its meeting held on 30 August 2018 (para 9 of the Minute refers).

4. KEY MATTERS RELEVANT TO RECOMMENDATION

- 4.1 Subsequent to the meeting of MIJB on 30 August 2018 (para 9 of the Minute refers) queries were raised in relation to:-
- a. MIJB meetings commence at 09:30 with an open session from 09:00 for any members to have informal discussions.
 - b. The date on the timetable of 29 November 2019 was incorrect and should have been Thursday 28 November 2019.
- 4.2 A meeting of the Chair, Vice-Chair, Chief Officer, Chief Financial officer and Corporate Manager identified a need for an additional MIJB meeting to meet governance requirements and timely reporting.
- 4.3 The amendments required are:-
- a. An afternoon MIJB development session on 3 October 2019 (moved from 29 November 2019).
 - b. An additional MIJB be scheduled on the morning of 28 November 2019 (replacing the development session).
- 4.4 An amended timetable of MIJB meetings for 2019/20 including Audit, Performance & Risk Committee and Clinical & Care Governance Committee is attached at **APPENDIX 1**.

5. SUMMARY OF IMPLICATIONS

(a) Corporate Plan and 10 Year Plan (Local Outcomes Improvement Plan (LOIP)) and Moray Integration Joint Board Strategic Commissioning Plan 2016 – 2019

The scheduling of appropriate meetings facilitates good governance arrangements and supports the delivery of the Strategic Plan.

(b) Policy and Legal

In terms of the Standing Orders section 4.1, approved by the Board at its meeting on 28 June 2018 (para 5 of the Minute refers), the Board is to approve annually a forward schedule of meeting dates for the following year.

(c) Financial implications

There are no financial implications directly arising from this report.

(d) Risk Implications and Mitigation

None directly arising from this report.

(e) Staffing Implications

There are no staffing implications directly arising from this report.

(f) Property

There are no implications in terms of Council or NHS property directly arising from this report.

(g) Equalities/Socio Economic Impact

There are no equality issues directly arising from this report.

(h) Consultations

Consultations have been undertaken with the following who are in agreement with the content of this report where it relates to their area of responsibility:

- Legal Services Manager (Litigation & Licensing)
- Chief Financial Officer
- Caroline Howie, Committee Services Officer

6. CONCLUSION

6.1 The MIJB is asked to endorse the revised timetable of meetings, as attached at APPENDIX 1.

Author of Report: Jeanette Netherwood
Background Papers: With Author
Ref: MIJB Meeting Dates

MORAY INTEGRATION JOINT BOARD**MEETING TIMETABLE 2019/20**

DATE	MEETING TYPE	TIME	VENUE
25 April 2019	Moray Integration Joint Board Development Session	9:00 to 12 Noon	Inkwell Main, Elgin Youth Café
30 May 2019	Clinical & Care Governance Committee	9:30 to 12 Noon	Community Hub, AGBC
27 June 2019	IJB	Open session from 9:00 Meeting 9:30 to 12 Noon	Inkwell Main, Elgin Youth Café
25 July 2019	Moray Integration Joint Board Development Session	9:00 to 12 Noon	Inkwell Main, Elgin Youth Café
25 July 2019	Audit, Performance and Risk Committee	13:00 to 14:30	Inkwell Main, Elgin Youth Café
29 August 2019	IJB	Open session from 9:00 Meeting 9:30 to 12 Noon	Inkwell Main, Elgin Youth Café
29 August 2019	Clinical & Care Governance Committee	13:00 to 15:30	Inkwell Main, Elgin Youth Café
19 September 2019	Moray Integration Joint Board Development Session	9:00 to 12 Noon	Inkwell Main, Elgin Youth Café
19 September 2019	Audit, Performance and Risk Committee	13:00 to 14:30	Inkwell Main, Elgin Youth Café
03 October 2019	IJB	Open session from 9:00 Meeting 9:30 to 12 Noon	Inkwell Main, Elgin Youth Café
03 October 2019	Moray Integration Joint Board Development Session	13:00 to 16:00	Inkwell Main, Elgin Youth Café
28 November 2019	IJB	Open session from 9:00 Meeting 9:30 to 12 Noon	Inkwell Main, Elgin Youth Café

DATE	MEETING TYPE	TIME	VENUE
28 November 2019	Clinical & Care Governance Committee	13:00 to 15:30	Inkwell Main, Elgin Youth Café
30 January 2020	IJB	Open session from 9:00 Meeting 9:30 to 12 Noon	Inkwell Main, Elgin Youth Café
30 January 2020	Audit, Performance and Risk Committee	13:00 to 14:30	Inkwell Main, Elgin Youth Café
27 February 2020	Moray Integration Joint Board Development Session	9:00 to 12 Noon	Inkwell Main, Elgin Youth Café
27 February 2020	Clinical & Care Governance Committee	13:00 to 15:30	Inkwell Main, Elgin Youth Café
26 March 2020	IJB	Open session from 9:00 Meeting 9:30 to 12 Noon	Inkwell Main, Elgin Youth Café
26 March 2020	Audit, Performance and Risk Committee	13:00 to 14:30	Inkwell Main, Elgin Youth Café



REPORT TO: MORAY INTEGRATION JOINT BOARD ON 31 JANUARY 2019

SUBJECT: REVIEW OF COMMITTEE APPOINTMENTS

**BY: LEGAL SERVICES MANAGER (LITIGATION & LICENSING),
MORAY COUNCIL**

1. REASON FOR REPORT

- 1.1 In light of changes in Board membership, to ask the Board to consider its Committee membership.

2. RECOMMENDATION

- 2.1 It is recommended that the Moray Integration Joint Board consider and appoint:-**

- i) a new Health Board voting member to the Audit Performance and Risk Committee, and**
- ii) a new Chair for the Audit, Performance and Risk committee from that Committee's voting members.**

3. BACKGROUND

- 3.1 Grampian Health Board has intimated changes in its voting membership on the Board. Sandy Riddell has replaced Ms Christine Lester, and Jonathon Passmore has replaced Dame Anne Begg.

4. KEY MATTERS RELEVANT TO RECOMMENDATION

- 4.1 In relation to the Audit, Performance and Risk Committee, the remaining Health Board voting member on this Committee is Mrs Susan Webb. A new Health Board voting member appointment and a new Chair will be required to replace Dame Anne Begg.
- 4.2 In relation to the Clinical and Care Governance Committee, the Health Board voting member on this Committee is Mrs Susan Webb. A new Health Board voting member appointment is not required.

5. SUMMARY OF IMPLICATIONS

(a) Corporate Plan and 10 Year Plan (Local Outcomes Improvement Plan (LOIP)) and Moray Integration Joint Board Strategic Commissioning Plan 2016 – 2019

Effective governance arrangements support the development and delivery of priorities and plans.

(b) Policy and Legal

The Board's Standing Orders (14.2) require the Board to determine the membership of its Committees. This is in line with the Public Bodies (Joint Working) (Integration Joint Boards) (Scotland) Order 2014 that regulates the business of the Board.

(c) Financial implications

None arising from this report.

(d) Risk Implications and Mitigation

Agreement of and adherence to Standing Orders help reduce the chance of a successful challenge to Board decisions.

(e) Staffing Implications

None arising directly from this report.

(f) Property

None arising from this report.

(g) Equalities/Socio Economic Impact

None arising from this report. Standing Orders regulate internal procedures only.

(h) Consultations

Consultation on this report has taken place with Caroline Howie, Committee Services Officer, Moray Council and comments received incorporated.

6. CONCLUSION

6.1 This report recommends a review of the voting membership of the Audit, Performance and Risk Committee.

Author of Report: Margaret Forrest, Legal Services Manager (Litigation & Licensing), Moray Council.

Background Papers:

Ref:



REPORT TO: MORAY INTEGRATION JOINT BOARD ON 31 JANUARY 2019

SUBJECT: RESERVES POLICY – REVIEW

BY: CHIEF FINANCIAL OFFICER

1. REASON FOR REPORT

- 1.1 To seek approval from the Moray Integration Joint Board (MIJB) on its Reserves Policy.

2. RECOMMENDATION

2.1 It is recommended that the MIJB:

- i) approves the Reserves Policy as detailed at Appendix 1; and**
- ii) agrees that the next review will be no later than March 2021**

3. BACKGROUND

- 3.1 The Public Bodies (Joint Working) (Scotland) Act 2014 empowers Integration Authorities to hold reserves which should be accounted for in their financial accounts.
- 3.2 The MIJB is subject to the audit and accounts regulations and legislation of a body under Section 106 of the Local Government (Scotland) Act 1973 and is classified as a local government body for accounts purposes by the Office for National Statistics.
- 3.3 The MIJB has previously considered the purpose and use of reserves and approved its initial Reserves Policy at a meeting of the Board on 31 March 2016 (para 12 of the minute refers).
- 3.4 Reserves are required to be considered and managed to provide security against unexpected cost pressures and financial stability.

4. KEY MATTERS RELEVANT TO RECOMMENDATION

- 4.1 The MIJB Reserves Policy has been reviewed and is presented as **APPENDIX 1** to this report.
- 4.2 The Reserves Policy outlines the importance of holding reserves for the long term financial stability of the MIJB to manage pressures from year to year. The MIJB Integration Scheme highlights the process to be followed in circumstances where it is anticipating an overspend position in that uncommitted reserves would firstly be used to address any overspend. With the Scheme in mind, it is anticipated that by the end of the 2018/19 financial year, the MIJB will hold no remaining uncommitted reserves.
- 4.3 The review of the Reserves Policy suggests an amendment to the prudent level of general reserve to be held from 3% to 2% of the MIJB's revenue budget. There is no guidance on the minimum level of reserves that should be held, however 2% is in line with the position taken by a number of Integration Authorities facing similar strategic, operational and financial risks. Whilst this level of free general reserve would allow the MIJB a degree of flexibility and assurance this must be proportionate and take cognisance of the level of savings required to be delivered. Given the economic climate being faced by the MIJB, this should be kept under review and the proposed 2% should be viewed as an optimum level of reserves to be built up over time.
- 4.4 It will be necessary to ensure that the Reserves Policy is kept under review with the expectation that in future years, an appropriate level of reserves can be maintained.

5. SUMMARY OF IMPLICATIONS

(a) Corporate Plan and 10 Year Plan (Local Outcomes Improvement Plan (LOIP)) and Moray Integration Joint Board Strategic Commissioning Plan 2016 – 2019

The Integration Scheme sets out the requirement for the MIJB to determine the treatment for underspends and the necessity to detail this within an agreed policy. The Reserves Policy makes appropriate reference to the MIJB Strategic Plan.

(b) Policy and Legal

The Public Bodies (Joint Working) (Scotland) Act empowers the MIJB to hold reserves and in doing so requires a strategy to support the process.

(c) Financial implications

None arising directly from this report.

(d) Risk Implications and Mitigation

The establishment and maintenance of a Reserves Policy, promotes sound financial management practice and supports good governance.

(e) Staffing Implications

None arising directly from this report.

(f) Property

None arising directly from this report.

(g) Equalities/Socio Economic Impact

None arising directly from this report.

(h) Consultations

The Deputy Director of Finance, NHS Grampian, the Head of Financial Services and Legal Services Manager (Litigation & Licencing), Moray Council have been consulted and their comments have been incorporated within this report.

6. CONCLUSION

- 6.1 The Reserves Policy approved by the MIJB at its meeting on 31 March 2016 continues to be reviewed in line with published guidance and good governance principles.**

Author of Report: Tracey Abdy, Chief Financial Officer
Background Papers: with author
Ref:

APPENDIX 1

MORAY INTEGRATION JOINT BOARD

RESERVES POLICY

<u>Date Created</u>	<u>Date Implemented</u>	<u>Next Review Date</u>
<u>February 2016</u>	<u>1 April 2016</u>	<u>March 2020</u>

<u>Developed By</u> <u>Chief Financial Officer</u>	<u>Reviewed By</u> <u>Chief Officer</u>	<u>Approved By</u> <u>MIJB</u>
	<u>January 2019</u>	<u>January 2019</u>

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1. Background

- 1.1 In July 2014, CIPFA through the Local Authority Accounting Panel (LAAP) issued guidance in the form of LAAP bulletin 99 - *Local Authority Reserves and Balances* in order to assist local authorities (and similar organisations) in developing a framework for reserves. The purpose of the bulletin is to provide guidance to local authority chief finance officers on the establishment and maintenance of local authority reserves and balances in the context of a framework, purpose and key issues to consider when determining the appropriate level of reserves.
- 1.2 The Moray Integration Joint Board (MIJB) is subject to the audit and accounts regulations and legislation of a body under Section 106 of the Local Government (Scotland) Act 1973 and is classified as a local government body for accounts purposes by the Office for National Statistics (ONS). The MIJB is able to hold reserves which should be accounted for in the financial accounts of the Board.
- 1.3 The purpose of this Reserves Policy is to:
- Outline the legislative and regulatory framework underpinning the creation, use or assessment of the adequacy of reserves;
 - identify the principles to be employed by the MIJB in assessing the adequacy of the its reserves;
 - indicate how frequently the adequacy of the MIJB's balances and reserves will be reviewed and;
 - Set out arrangements relating to the creation, amendment and the use of reserves and balances.
- 1.4 In common with local authorities, the MIJB can hold reserves within a usable category.

2. Statutory / Regulatory Framework for Reserves

Usable Reserves

- 2.1 Local Government bodies - which includes the MIJB for these purposes - may only hold usable reserves for which there is a statutory or regulatory power to do so. In Scotland, the legislative framework includes:

Usable Reserve - Powers

General Fund - Local Government (Scotland) Act 1973

- 2.2 For each reserve there should be a clear protocol setting out:
- the reason / purpose of the reserve;
 - how and when the reserve can be used;
 - procedures for the reserves management and control; and
 - The timescale for review to ensure continuing relevance and adequacy.

3. Operation of Reserves

3.1 Reserves are generally held ~~for three main purposes~~~~to do three things~~:

- ~~to~~ create a working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing – this forms part of general reserves;
- ~~to~~ create a contingency to cushion the impact of unexpected events or emergencies – this also forms part of general reserves; and
- ~~to~~ create a means of building up funds, often referred to as earmarked reserves, to meet known or predicted liabilities.

3.2 The balance of the reserves normally comprise of the following elements:

- funds that are earmarked or set aside for specific purposes. In Scotland, under Local Government rules, the MIJB cannot have a separate earmarked reserve within the Balance Sheet, but can highlight elements of the General Reserve balance required for specific purposes. The identification of such funds can be highlighted from a number of sources:
- future use of funds for a specific purpose, as agreed by the MIJB; or
- commitments made under the authority of the Chief Officer, which cannot be accrued at specific times (e.g. year-end) due to not being in receipt of the service or goods;
- funds which are not earmarked for specific purposes, but are set aside to deal with unexpected events or emergencies; and
- funds held in excess of the target level of reserves and the identified earmarked sums. Reserves of this nature can be spent or earmarked at the discretion of the MIJB.

4. Role of the Chief Financial Officer

4.1 The Chief Financial Officer is responsible for advising on the targeted ~~optimum~~ levels of reserves that the MIJB would aim to hold, known as the prudential target figure. The MIJB, based on this advice, should then approve the appropriate reserve strategy as part of the budget process.

5. Adequacy of Reserves

5.1 There is no guidance on the minimum level of reserves that should be held. In determining the prudential target, the Chief Financial Officer must take account of the strategic, operational and financial risks facing the MIJB over the medium term and the MIJB's overall approach to risk management.

- 5.2 In determining the prudential target, the Chief Financial Officer should consider the MIJB's Strategic Plan, the medium term financial outlook and the overall financial environment. Guidance also recommends that the Chief Financial Officer reviews any earmarked reserves as part of the annual budget process and continued development of the Strategic Plan.
- 5.3 In light of the size and scale of the MIJB's responsibilities, over the medium term it is proposed that a prudent level of general reserves will represent approximately 23% of net expenditure. This value of reserves must be reviewed annually as part of the MIJB's Budget and Strategic Plan; and in light of the financial environment at that time. The level of other earmarked funds will be established as part of the annual financial accounting process.

6. Reporting Framework

- 6.1 The Chief Financial Officer has a fiduciary duty to ensure proper stewardship of public funds.
- 6.2 The level and utilisation of reserves will be formally approved by the MIJB based on the advice of the Chief Financial Officer. To enable the MIJB to reach a decision, the Chief Financial Officer should clearly state the factors that influenced this advice.
- 6.3 As part of the budget report the Chief Financial Officer should state:
- the current value of general reserves, the movement proposed during the year and the estimated year-end balance and the extent that balances are being used to fund recurrent expenditure;
 - the adequacy of general reserves in light of the MIJB's Strategic Plan, the medium term financial outlook and the overall financial environment;
 - an assessment of earmarked reserves and advice on appropriate levels and movements during the year and over the medium term; and
 - If the reserves held are under the prudential target, that the MIJB should be considering actions to meet the target through their budget process.

7. Accounting and Disclosure

- 7.1 Expenditure should not be charged direct to any reserve. Any movement within Revenue Reserves is accounted for as an appropriation and is transparent. Entries within a reserve are specifically restricted to 'contributions to and from the revenue account' with expenditure charged to the service revenue account.



MINUTE OF MEETING OF THE INTEGRATION JOINT BOARD

AUDIT, PERFORMANCE AND RISK COMMITTEE

Thursday, 27 September 2018

Inkwell Main, Elgin Youth Café, Francis Place, Elgin, IV30 1LQ

PRESENT

Ms Tracey Abdy, Ms Elidh Brown, Councillor Tim Eagle, Ms Pam Gowans, Councillor Louise Laing, Mr Steven Lindsay, Mr Atholl Scott, Mrs Susan Webb

APOLOGIES

Dame Anne Begg

IN ATTENDANCE

Mr Dafydd Lewis, Senior Auditor and Mrs Caroline Howie as clerk to the Committee, both Moray Council.

1 Chair

Mrs Webb took the position of Chair in the absence of Dame Anne Begg.

2 Declaration of Member's Interests

There were no declarations of Members' interests in respect of any item on the agenda.

3 Minute of Meeting dated 26 July 2018

The Minute of the meeting dated 26 July 2018 was submitted and approved.

4 Action Log of Meeting dated 26 July 2018

The Action Log of the meeting dated 26 July 2018 was discussed and it was noted

that all items had been completed.

5 Strategic Risk Register - September 2018

A report by the Chief Officer (CO) provided an overview of the current strategic risks, along with a summary of actions in place to mitigate those risks, updated as at September 2018.

It was advised that NHS and Moray Council use 2 different systems to record information and investigations are ongoing looking into how information can be combined.

Discussion took place on the risks involved in relation to the CO taking on an executive leadership role covering Dr Gray's Hospital. The CO advised she would present a report in November that would provide answers to queries raised.

There was further discussion on the nature of the actions and how they are being addressed and a request was made for a report to be presented in November outlining plans to refine actions and thereafter a further report being presented in March 2019 advising progress.

Thereafter the Committee agreed to:

- i. note the updated Strategic Risk Register;
- ii. task the CO with presenting a report in November in relation to her executive leadership role at Dr Gray's Hospital; and
- iii. task the Corporate Manager with presenting a report in November on plans to address actions, with a further report in March 2019 advising progress.

6 Quarter 1 (April - June 2018) Performance Report

A report by the Chief Officer provided an update on the performance of the Moray Integration Joint Board as at Quarter 1 (April - June) 2018/19.

Lengthy discussion took place on the indicators detailed in appendix 1 of the report and how performance is visualised and a further report was requested for the next meeting in December. More detail was requested on actions to address the five indicators showing as red in the appendix.

Thereafter the Committee agreed to:

- i. note the performance of local indicators, linked to strategic priorities for quarter 1 (April - June 2018) in appendix 1 of the report and the detailed analysis

contained within appendix 2 of the report;

- ii. approve the proposal for a future report outlining the issues pertinent to Moray around unscheduled care; and
- iii. seek a further report to the meeting in December with more detail on the five indicators showing as red in appendix 1 of the report.

7 NHS Grampian Internal Audit Report - Integration Joint Board Performance Reporting and Key Performance Indicators

A report by the Chief Financial Officer presented a summary of findings from a recent NHS Grampian internal audit review carried out by PricewaterhouseCooper. The audit assessed the performance reporting and Key Performance Indicator processes of the three Integration Joint Boards within the Grampian Health Board area.

Discussion took place on the process for bringing the report to Committee and how actions required are recorded and by exception reported back to Committee. The Chief Financial Officer agreed to consider a process for providing this assurance to the Committee.

Under the Management comment on page 3 of appendix 1 of the report it was advised that where it refers to comment by the councils this should refer to comment by the Integration Joint Boards.

The Chair undertook to write to the NHS Grampian Committee to highlight disappointment that this was noted incorrectly.

Thereafter the Committee agreed to:

- i. note the findings from the audit, attached as appendix 1 to the report;
- ii. note the management responses to the audit recommendations and timescales outlined in appendix 1 of the report;
- iii. task the Chief Financial Officer with developing an assurance process for the Committee on monitoring and exception reporting actions arising from audits; and
- iv. task the Chair with writing to the NHS Grampian Committee to highlight disappointment that the Management comment was listed as being from the council and not the Integration Joint Board.

8 Internal Audit Plan

Under reference to paragraph 5 of the Minute of the meeting of the Audit and Scrutiny Committee of Moray Council dated 23 May 2018 a report by the Chief Internal Auditor provided information on the proposed internal audit coverage for completion in the current 2018/19 financial year.

Following consideration the Committee agreed to the proposed audit coverage.

9 Internal Audit Update

Under reference to paragraph 9 of the draft Minute of the meeting of this Committee dated 26 July 2018 a report by the Chief Internal Auditor provided an update on audit work concluded since the last meeting of the Committee.

Discussion took place on what is done in respect of following up actions to ensure they have been completed. It was advised actions were followed up by the senior management team and that no formal reporting to Committee was undertaken as reporting was by exception.

Following further discussion it was agreed a further report, to the next meeting, would allow Committee to understand what needed addressed and what processes were in place to ensure actions had been undertaken.

Thereafter the Committee agreed to:

- i. note the contents of the update report together with the completed audit reviews; and
- ii. seek a further report, to the next meeting.