

Report

Governance Review

Edinburgh Integration Joint Board

14 December 2018



Executive Summary

1. This report presents the findings and recommendations from the independent review of the governance of the Edinburgh Integration Joint Board (EIJB), commissioned by the Chief Officer.

Recommendations

2. The Integration Joint Board is asked to:
 - i. Agree in principle all recommendations in the report, noting there will be resource implications for their full implementation;
 - ii. Agree to prioritise the development of a Governance Handbook as set out in the report and task the Chief Officer with the procurement of support to do this within a limit of £30k; and
 - iii. Task the Chief Officer to bring a costed action plan in response to the wider recommendations, and a timeline for its implementation, back to the February IJB meeting, noting at this stage that there is potential to fund this from a number of sources, including the uncommitted reserves and this will be presented alongside the costed plan.

Background

3. The EIJB Chief Officer initiated a review of the governance systems and processes of the Board on coming into the post in May 2018. This was in recognition of the extent and complexity of the role of the EIJB and its growing maturity as a distinct entity as set out in the Public Bodies (Joint Working)(Scotland) Act of 2014.
4. Given the extent and scope of this review, the Chief Officer commissioned external, independent expertise to support the review and the report at **Appendix 1** has been produced by the Good Governance Institute. Their

methodology is set out in detail in the report and this included one to one interviews with IJB members and the Executive Management Team as well as observation at meetings and a development sessions.

Main report

5. The EIJB was formally constituted from April 2016. The new Chief Officer took up post in May 2018 and believed it timely and appropriate to review the governance structures, processes and systems in place to support the significant role of the IJB as a distinct entity.
6. The review was commissioned from the Good Governance Institute and concludes that, overall, the EIJB does need to take action to strengthen its governance. This is not presented as a criticism of the work undertaken in the first two years of the IJB's operation, but as part of the natural maturing of the governance of the IJB needed now and for its future.
7. The review sets out a series of 18 recommendations which support that strengthening of arrangements, as well as the longer term strategic ambitions and transformation potential of health and social care in Edinburgh.
8. Both the undertaking of the review and the acceptance of its recommendations demonstrates a positive commitment by the EIJB to achieving its potential and being well structured to deliver strong governance, strategic direction and oversight of an ambitious change and transformation programme. Additionally it supports the EIJB in delivering against the recommendations in the recent Audit Commission report 'Health and Social Care Integration – Update on Progress', published in November 2018. Further, it supports the EIJB in making progress against the recommendations in both the Joint Inspection of Older People's Services in Edinburgh (2017) and the subsequent progress review published on the 4th of December 2018.
9. Importantly, the review recognises that the development and strengthening of the governance of the EIJB will be developmental rather than a 'one off fix' and that this will require the commitment of IJB members over time. It also recognises the critically important role that the EIJB has in developing a strong relationship to the creation of wellbeing through working with the citizens of Edinburgh and our 3rd and independent sector partners.
10. The report recommends a blended approach to development but recommends some key priorities for the IJB including the development of a refreshed structure and a Governance Handbook. The report recommends prioritisation of the IJB handbook in order that the structures, risk appetite, board etiquette and operating principles be set out as a foundational part of this review.

Key risks

11. The current governance processes have not kept pace with the growing role of the IJB and its complex agenda. There is a risk therefore in not adopting these recommendations.

Financial implications

12. It is anticipated that there will be financial costs to deliver on all 18 recommendation and the Chief Officer will develop an action plan for February's IJB that with detail any additional resources and the associated costs. The action plan will come to the IJB February and will set out the costs of this. Funding could be prioritised from within the IJB's uncommitted reserves, presented separately to this meeting.

Implications for Directions

13. As there will be financial costs to delivery of all recommendations, there will be implications for directions which will be confirmed in the action plan presented to the IJB in February.

Equalities implications

14. There are no equalities implications arising from this report.

Sustainability implications

15. There are no sustainability implications arising from this report.

Involving people

16. GGI have met with all IJB member and key parties and from those outputs identified 18 recommendations. There will be full engagement with key stakeholder to develop the action plan and as recommendations are implemented.

Impact on plans of other parties

17. Adoption of the recommendations in principle supports the good governance of the EIJB as well as supporting greater clarity of lines of accountability and scrutiny across our partner organisations; NHS Lothian and City of Edinburgh Council.

Background reading/references

1. [Joint inspection report Older People's Service 2018](#)
2. [Joint Inspection Progress Review Report 2017](#)
3. [Health and Social Care Integration – Update on Progress, Audit Scotland 2018](#)

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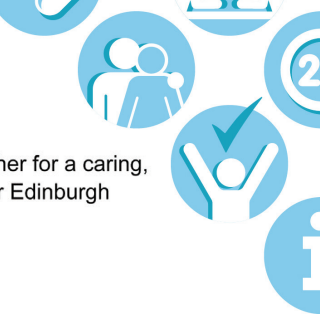
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Appendices

Appendix 1	Independent Review of the Governance of the Edinburgh Integration Joint Board
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Independent Review of the Governance of the Edinburgh Integration Joint Board

Good Governance Institute

November 2018



1 Introduction

This report sets out the conclusions of a review of the effectiveness of the governance of the Edinburgh Integration Joint Board (EIJB).

The review was commissioned by the Chief Officer of the EIJB to provide an assessment of the effectiveness of current governance arrangements and to make recommendations which would enable the EIJB to meet future requirements and expectations.

It is intended to be of practical value at an important time in the development of the maturity of the EIJB. Effective, agile governance will be the bedrock of the future success of the EIJB. Got right, good governance will provide the strong foundations of legitimacy, authority, accountability, agency, visibility and agility which the EIJB requires to catalyse a new, modern and effective approach to health and social care for local citizens.

The report inevitably focuses on areas where aspects of current governance can be strengthened to increase effectiveness. But it is not intended to be a negative commentary and should not be seen as such. The aim is to create the right conditions for immediate and future success, acknowledging the history which has shaped the EIJB, and IJBs more generally to date.

It places consideration of core structures and processes in the context of a wider review of good governance. It is not intended to offer a review of the Integration Scheme under which the IJB was created, but it does make comments in several areas where the application of first principles of good governance raise questions about the effectiveness of arrangements currently imposed on the IJB by the Scheme.

The overall conclusion is that the Board does need to take action to strengthen its governance. Changes to structures must not be seen in isolation but as part of a general maturing of governance of the IJB which is needed now and in future.

The report is designed to provide the basis for a road map which the IJB and its partners can take forward and refine together. It therefore includes a number of questions for further discussion as well as providing a suggested direction and timeline.

2 Methodology

The review was undertaken by the Good Governance Institute between September and November 2018 using an established review methodology including:

- structured interviews with (voting and non-voting) members of the IJB
- structured interviews with the senior leadership team (Executive) of the IJB
- systematic document review covering the execution of business in meetings
- reviews of processes and procedures.

This report represents a point-in-time assessment and only indicates what evidence was either shared or observed during the review.

3 Context and History

Edinburgh Integration Joint Board was established in 2016 under the terms of the Public Bodies (Joint Working) (Scotland) Act 2014 with full delegation of functions and resources to enable integration of primary and community health and social care services effective from 1 April 2016.

The IJB is a separate legal organisation and acts as principal in its own right, having been established through a detailed Integration Scheme between City of Edinburgh (CEC) and NHS Lothian, as approved by the Scottish Government.

The founding ambition for the IJB stated in the Integration scheme is:

- to improve health and wellbeing of citizens
- to reduce inequalities, including health inequalities
- to increase citizen involvement and focus as partners in service design and delivery

- to promote collaborative working between teams and individuals across organisational and professional boundaries
- to increase cost effective use of resource
- to deliver improved and fully-integrated health and social care services through partnerships and deployment of best practice
- to respect the principles of equality, human rights, and independent living, and will treat people fairly

EIJB was founded with a stated ambition of genuine social importance. It is committed to adopting a disruptive and compelling approach to changing perceptions and expectations of public and professionals, to driving forward new ways of working and to bringing into practice in Edinburgh new models of health and care which would transform the well-being and lives of local citizens.

One clear theme arising from the interviews and reflections of key players involved in the development of the IJB is that in Edinburgh the route forward has not been easy, nor enabled by consistent leadership or clear and effective governance in relation to itself and others. The feeling amongst current Board members and officers is that the IJB has felt the negative impact of leadership changes in senior staff, which has meant that a stable leadership team has only recently been put in place, following the appointment of a third chief officer. This has been material in the ability of the IJB to develop a vision to match its founding ambition, and to carve out the necessary strategic, tactical and practical leverage and drive forward partnerships which the complex and highly political history of health and social care in Edinburgh demands.

The potential of the IJB to achieve and catalyse change at scale remains a matter of active debate within the IJB as much as by others. Looked at objectively the need for the IJB to both maintain “business as usual” as well as achieve transformational change might lead to a conclusion that it seems under-resourced in terms of financial and human resources.

This review was completed at the time of publication of Audit Scotland’s third report into progress being made nationally¹. This reflects on disappointing progress in fulfilling the ambition for the IJBs in delivering national and well as local priorities and targets. It places emphasis on the need for greater evidence of joint working in a number of areas which depends on both confidence and maturity, which in turn depends on good governance principles.

The IJB was not set up according to first principles of good governance. The Delegation Scheme is complex and risk-averse, and could be interpreted as reflecting a reluctance to cede any real authority to act to a new body.

It is to the credit of those involved that the IJB has started to establish a way of working which blends the received agenda of meeting national and local priorities, with a focus on longer-term change and how that might be achieved through partnership, engagement and breaking the mould through effective leadership of innovative thinking and doing.

There is a shared view amongst all the EIJB members and officers we interviewed that the IJB has significant potential to make a difference to the lives of local citizens and fulfil its purpose with conviction and impact. They also believe that the time has arrived for its governance to mature quickly if it is to turn what has been a clear aspiration into visible impact. This collective intent to overcome issues of confidence and frustration with progress is hugely positive, with what appears to us to be a consensus that specific areas need particular attention. These include working together on establishing a greater clarity of purpose and intent, the modelling of behaviours and leadership, improving the effectiveness and inclusivity of core business structures and the pace and agility of decision-making, amongst others. We believe this also needs to be guided by a set of consistent governance principles to provide cohesion and depth to action.

EIJB is moving rapidly towards an innovative transformation approach to drive forward its vision, based on citizen and stakeholder engagement. A refreshed strategy and set of narratives will also become public in the coming months. This means the governance of the EIJB now needs to support and enable these defining programmes to come live, to connect to all stakeholders and to do so in a way that is markedly different from what has gone before. To reflect back the words of different Board members, EIJB needs to be robust, autonomous, connected and visible. This requires a mixture of increased confidence and clarity about the governance, authority and legitimacy which we believe the circumstances are right for the Board to achieve. We now set out the main areas and key indicators of good governance which we believe could provide the right framework for success for EIJB. These are drawn from research evidence and practice.^{2,3,4}

1) Health and Social Care Integration – Update on Progress Audit Scotland November 2018

2) Good Governance Institute (GGI) and Healthcare Quality Improvement Partnership (HQIP), Good Governance Handbook, January 2015., <http://www.good-governance.org.uk/good-governancehandbook-publication/>

3) The Scottish Government, Risk Management – public sector guidance, 2009. <http://www.gov.scot/Topics/Government/Finance/spfm/risk>

4) Chartered Institute of Public Finance and Accountancy (CIPFA) and the International Federation of Accountants® (IFAC®). International Framework: Good Governance in the Public Sector, (2014)

4 Analysis

Each section includes a short analysis of readiness and position, some further questions for the Board to engage with and a small number of recommendations for action which can be taken by the Board within its own authority.

5 Entity

Any Board has to be clear about the formal entity in whose interest it exists as a foundation of good governance. Edinburgh IJB like all IJBs has struggled to establish itself as a discrete entity with a distinctive personality.

This is not intended as a criticism of those who have been involved in its creation and development. Any new organisation faces this problem. This has been made more difficult by perceived lack of clarity about the legislative foundations of IJBs, not least in what were unfortunately called the relationships with parent bodies in the NHS and CEC. It has to be recognised that this has placed the voting Board members in a difficult position. The Chair continues to do an excellent job in developing a coherent agenda for the Board and in creating a balanced and inclusive approach to its business, involving both voting and non-voting members. And members have been thoughtful and considered in the way they have sought to work through the issues of identity, authority and conflicts inherent in the IJB model. This has allowed EIJB to develop, as the landscape around it has changed.

However, the most important step the IJB now needs to make in terms of its governance is for the Board to embody with greater confidence a shared sense of the IJB as a properly-constituted entity which is determined to act decisively and independently to achieve its ends.

This has challenges and consequences which it is worth being direct about from the outset.

The Board will need:

- to become cohesive, decisive and trusting as a collective Board to embody clarity of purpose and to model integration. This will require much more open and active engagement with what it means to be a Board member for the IJB, and what members expect of each other, so that the Board operates as a confident, independent authority in a challenging landscape
- to develop a distinctive vision and strategy which is understood by local citizens in their own language. The IJB offers a genuine opportunity to engage differently with local citizens which the Board needs to not just enable but to drive forward
- to structure its business as effectively as possible to reflect this vision and strategy in its approach to assurance, its committee infrastructure, its flow of business and its way of working
- to establish a supportive and enabling relationship with the senior officer (Executive). The history of the IJB has not yet allowed the critical roles and responsibilities of the Board and the senior leadership team to be worked through together in order to provide a model of joint leadership, nor to secure the depth of professional capacity into the organisation required to make the IJB an effective agent of change
- to grow a sense of momentum and belief that change is possible through disruption as well as evolution. This places particular importance on attention to the IJB's own strategic risk assessment (as distinct from that of NHS Lothian or CEC) and to living a clear risk appetite
- to act as an influencing body as well as a decision-making or assurance body.

This is certainly challenging and is not a one-off fix around governance. It will take time to reach the right level of governance maturity to support the impact the Board are seeking. This report suggests adopting a developmental approach which is in effect a road-map over the next year with some immediate priorities to address in the first quarter of 2019.

Recommendation 1

The Board adopts a clear, planned approach to its development as an entity and agent for change over the next year

6 Good governance guiding principles

The Board has a responsibility to establish an operating model of governance appropriate to its purpose. Currently there is no single place where the governing principles for EIJB are set out. We would suggest that a formal handbook would help dispel any room for misunderstanding and doubt about the legitimacy of the Board to act, and equally importantly to set the tone and expectations of behaviour for those acting in its name. The handbook should include the working definitions for governance, key roles and responsibilities, behaviour etiquettes and standards, scheme of delegation as well as the structures and processes which embody governance in practice.

There will always be fluidity in membership of the Board. The Handbook would provide the basis for ensuring new members and officers can understand the way the IJB works before taking on their role and what is expected of them in their roles as a Board member or officer. It can of course be updated to form the basis for regular induction/updates to ensure confidence and collective understanding of what governance means in the context of the IJB becomes a hallmark of the way it works. It could include guidance on handling conflict of interest and clarification on the distinction between voting and non-voting members where currently no formal guidance exists. It would also set out clearly the levels of assurance that are needed for members in addition to reporting back to the “parent” organisations.

Recommendation 2

The Board commissions a Good Governance Handbook for adoption in early 2019

This practical step presumes another requirement. The Handbook, to work effectively, should be based on an underpinning philosophy of governance appropriate to its purposes. This should ideally not be a hybrid of the cultures of the NHS or Council but be grounded in a more independent evidence-based philosophy.

A sound governance approach would require a set of principles and practices which transcend specific compliance requirements. As part of the research for this paper, GGI reviewed the various potential models available. We believe that one stands out as a potential fit for the IJB. This is the South African Institute of Directors model, known as the *King IV Report*.

The *King IV Report* on corporate governance, the first outcomes-based governance code in the world, emphasises how important it is for organisations and institutions to be good ‘corporate citizens’, accountable to all stakeholders, current and future.^{5 6}

According to the *King IV Report*, the primary governance roles and responsibilities for any board, or constituted governance body, are:

- **to steer the organisation** and set strategy
- **to approve policy** and effective planning
- to oversee **monitoring and performance**
- to be accountable to stakeholders through effective and **ethical leadership**.

Effective leadership is results-driven, focused on achieving strategic objectives and positive outcomes. Ethical leadership is exemplified by integrity, competence, responsibility, accountability, fairness and transparency. The *King IV Report* offers a ready-made set of guiding principles, with codes that are non-legislative, based on ethical principles and practices (see *Figure 2*).

We believe the characteristics of the King IV model which make it most suitable to EIJB is that it frames governance as a system which delivers outcomes, is relevant to complex systems and promotes the taking of entrepreneurial risk within a system. It makes a compelling case for seeing the added value of governance as providing a dynamic framework for creating impact with ethics and transparency at its heart.

Critically it also provides an encouragement for governance to provide the foundation for an assertive confidence to do what the organisation needs to do. This encouragement to be courageous and brave will be important for the IJB in working through how to achieve its vision over the next few years.

5) <https://www.adamsadams.com/wp-content/uploads/2016/11/King-IV-Report.pdf>

6) <https://www.pwc.co.za/en/publications/king4.html>

The adoption of King IV by the IJB could:

- connect the organisation to a wider, evidence-based model of governance beyond the restrictions of health and care in Scotland and the UK
- provide an objective template for growing the maturity of governance in an agile way over time in a way that reflects its mixture of commercial, charitable and civic responsibilities
- enable wider reflection and connection by Board members to stimulus and reflection in an international network
- ensure it meets the CIPFA international standards
- potentially provide an opportunity for the IJB to influence how governance is seen by others – its own partners and more widely in the sector.

This fits with an approach which sees the strengthening of governance not as a one-off hit but a continuing engagement to which the Board needs to devote time and energy.

This is obviously a matter for the Board as such an approach might seem remote – a theoretical rather than practical framework of only academic value. The questions for the Board are:

- *Does the King IV fit with our longer-term vision and strategic objectives?*
- *Would we be willing to pioneer and promote the King IV principles as a standard for the sector?*

Recommendation 3

The Board adopts an underpinning philosophy of governance which supports a clear sense of autonomy, agency and entity for the IJB

7 Accountability and clarity of purpose

The Board and the leadership team of officers need to operate as the controlling mind of the IJB, as they would for any organisation. This is especially important now given the scale of the responsibilities and duties which fall to the IJB and the complex issues and choices which the Board will need to make and the consequences which result. This matters also so all stakeholders and interested parties understand who is accountable for the control of the organisation and who can enter into engagements on the organisation's behalf.

There is growing evidence of a shared understanding about what the IJB can achieve and a collective intent to make this happen, between the leadership of the IJB. This is starting to be translated into clear outcomes which the IJB is seeking to achieve. From our review we suggest there still needs to be vigilance by all members of the Board to avoid any tendency to default to adopting NHS or Council "positions", or over-sensitivity to obstacles to progress which can reduce ambition and impact. The role of the IJB is to embody something different and make change happen.

The most visible signs of effective collective intent have most recently been seen in the exploring of an ambitious Transformation Programme based on an innovative engagement model. This offers a dynamic and transparent way of translating intent to catalyse change at scale into practical action.

There are also clear processes in place for developing strategy in an inclusive way with key stakeholders including staff and the public. The governance challenges are whether the strategy will be seen as sufficiently distinctive and dynamic and will carry authority. This has not yet been subject to sufficient Board time in thinking through what roles and responsibilities will need to be developed to ensure this happens.

Clarity on roles and responsibilities is especially important in the IJB where its members become members of the IJB as a result of being members of the Board of NHS Lothian or as elected members of City of Edinburgh Council. There are inevitably challenges for members therefore to ensure they understand their distinctive responsibilities and modes of behaviour when acting as collective members of the IJB. We believe this is an area where more time and support should be devoted to help members work through the many challenges which the role of IJB members brings.

This attention we believe would yield significant benefits in increasing the sense of agency, (the ability to act) and allow the Board to act more effectively as the controlling mind of the organisation. The clearer the shared intent, the greater the likely impact.

Recommendation 4

The Board develops a series of narratives about how and what the IJB is seeking to achieve, in sufficient detail to allow the collective intent of the Board to be clear, and for all members to be seen to be committed to a joint purpose and to permit engagement with stakeholders

8 Leadership, culture and behaviours

All members of the Board are aware of the importance of the IJB in embodying the distinctive roles and responsibility of the IJB in the way it operates. This was evident from the interviews we conducted. But there does not yet seem to be a clear joint understanding about how this translates into key roles, responsibilities and relationships both within the Board and between the Board and its executive officers. The handover and transition to a different chair which is due to happen in 2019 needs early consideration to ensure the critical role of chair continues to develop from the sound non-partisan base already established. This should include establishing a clear job description for the role of chair (and of chairs of sub-committees).

The Board, together with the senior leadership team, form the heart, mind and soul of the organisation. Unlike a unitary Board where members of the senior leadership team also hold formal director responsibilities alongside Non-Executive Directors as equals in the Board, the IJB is not constituted in this way. However the tone set by the Board should reflect a sense of joint enterprise whilst retaining the right level of separation of responsibilities.

We feel there is room for further development for growing a shared understanding of roles and responsibilities which gives an opportunity to explore personal and collective styles of questioning and its consequences. This will help ensure that all Board members work through the implications of their responsibilities for the way of working with the senior leadership team.

In part this can be done through spending more time together outside formal meetings. More effective would be a development programme which took specific issues – risk, transformation, engagement – as themes which would allow this collective approach to be worked through in a more informal setting. This would be a development and refinement of the current development sessions which have tended to be seen as officer-led rather than giving space to explore styles of working.

There is inherent potential for conflict of interest in the composition of the Board. This is clearly understood by Board members. To ensure there is absolute clarity, processes and procedures need not only to be in place but also to be rehearsed in respect of how such issues are handled in practice. This suggests there would be value in having a clear Board Etiquette statement which could also be included in the Governance Handbook.

The Board will need to develop a greater sense of collective confidence that they as a Board can act decisively and draw on this collective responsibility to also act as an IJB member individually in other settings. The Board is neither an extension of the NHS infrastructure nor a committee of CEC.

The Board is already committed to development sessions on an alternative schedule with formal Board meetings. This is an excellent idea but this needs to be treated as protected time which allows members to understand and work issues through with the senior leadership team, and as Board members. The evidence suggests that this time can be swamped by pressing operational business.

Recommendation 5

Protected time needs to be devoted for the Board and senior leadership team to achieve the right level of collective working and address complex issues around accountability between Board members themselves and between the Board and the senior leadership team

The future of the IJB will depend on succession planning. Consideration needs to be given about how to ensure that members joining the Board understand the working arrangements, expectations, culture and commitments which will be required of them. This requires more than the current induction programme (which is sporadic) and the development sessions (which can be overrun by urgent business).

Recommendation 6

The Board should commission a development programme for members to be delivered during 2019

The review team saw real value in the development sessions. We suggest these would increase in value if they formed part of a Board development programme over a year, planned in advance around key themes. These could include a mixture of practical skills and capacity development alongside strategic issues which require time and thought outside formal sessions:

- Roles of members and chairs of sub-committees and expectations of them
- Risk appetite
- Board etiquette and behaviour
- Handling conflicts of interest
- Reporting arrangements
- Population and public health priorities
- Stimulating innovative thinking and learning

The programme would not need to be restricted to just IJB members, although that should be its primary focus. It could for example provide an opportunity to include external partners and inputs to stimulate thinking. Some elements could also be open to joint development with other IJBs and bodies.

9 Strategic Risk

One hallmark of the maturity and effectiveness of governance is the approach taken by a Board to strategic risk. This is particularly important for any ambitious IJB which will be encouraging and enabling innovation, community engagement and participation, and joint working. The development of a mature understanding of risk is fundamental to the development of robust, forward-looking governance systems. The innovative nature of Health and Social Care Integration Schemes also requires governance systems which support complex arrangements, such as hosting of services on behalf of other IJBs, planning only of services delivered by other entities, accountability for assurance without delivery responsibility, and other models of care delivery and planning.

Evidence of a mature risk approach would include:

- a framework which engages with all the risks which need to be addressed by the IJB
- a clearly articulated risk appetite which has been the subject of dedicated time
- a comprehensive risk assessment methodology and risk management system
- alignment of Board and sub-committee agendas to engage with the strategic risk
- clear delegation and routes for escalation about concerns in relation to IJB services and those in their organisations
- a Board Assurance Framework which actively manages the risks in an effective way at all levels of the organisation – board, corporate, service and individual.

This is complicated for the IJB for several reasons. The IJB is currently reliant on the internal processes of other organisations for some of the mitigation of key risks, not least around clinical and care governance. This is an inherited position built into the way the IJB was established, and needs to be recognised in a clear escalation scheme into other organisations for specific risks. The Board is entitled, indeed obliged, to ensure that it has a comprehensive and effective approach to strategic risk management in this way.

We also suggest that there is a need for the Board at this stage in the development to look beyond the current parameters within which it is working. The IJB will need to reflect on strategic risks relating to social and economic change, technology and innovation which are themselves transformative.

Our assessment of the current arrangements around risk is that although many of the elements are in place they do not yet form part of an integrated approach which connects strategic priorities and risks clearly in a single framework, to provide the right level of transparent assurance which it will need going forward.

Recommendation 7

The Board should commit to an integrated risk and escalation framework, shaped by a risk appetite owned by all Board members, supported by a risk methodology, and supported by subcommittees and systems providing specific assurances and clear escalation processes

10 Structures

The report was commissioned to place emphasis on whether the structures and processes for the IJB were keeping pace with progress and were fit for future purpose.

We believe the committee structures reporting to the Board currently need to be rethought, to provide the level of assurance which the Board will need in future to discharge its responsibilities.

The Board has to balance a number of different roles and responsibilities including priority setting, performance monitoring and accountability arrangements.

The fundamental question for the Board is “how do we create a governance structure which covers our current and anticipated responsibilities in a way which matches our strategic priorities and which we can populate effectively?”

Edinburgh IJB currently has a crowded Board agenda which is increasingly struggling to provide the time, space and focus to enable members to engage with the issues they need to. The amount and complexity of issues requiring consideration by the Board is likely to increase further.

The future agenda will include:

- growing effective community engagement
- transformational change at scale
- the impact of technology
- consideration of business cases for change
- creating directions with bite
- population health
- public protection and wellbeing
- workforce and skills capacity
- innovation
- family breakdown
- tight budgets, risk sharing, emergency planning
- collapse of private-sector care homes
- provision of housing and places of safety.

The most effective organisations strike the right balance between work that should only be done in full Board and activities which can be delegated to management (Executive) and sub-committees, reporting formally into the Board. This way, the Board can establish a pattern of working which allows space and time to fulfil strategic responsibilities as effectively as possible. This is in the IJB’s own gift.

The creation of a clear set of committees which cover the main business of the IJB is a critical decision for the Board. Currently we believe that there are key areas of business which require the Board to explore in greater depth, or develop new thinking, which is only possible in committee rather than the full Board.

10.1 Current structures

The current structures GGI was asked to review include:

- Strategic Planning Group
- EIJB Audit and Risk Committee
- EIJB Performance and Quality subgroup
- EIJB Professional Advisory Group
- Strategic Plan Reference Boards
- Strategic Planning Partnership.

We would make the following comments:

- 1 Currently a number of core governance responsibilities seem to be underdeveloped or unclear:
 - *Governance of Performance* – the Performance and Quality subgroup is not currently meeting and its terms of reference seem imprecise about accountability and outcomes
 - *Governance of clinical and care quality* – a decision seems to have been taken for the IJB to receive assurance from committees already established in NHS Lothian and in CEC. We would echo the views of a number of members who expressed doubts about whether this was working and indeed whether it was correct in terms of fulfilling a core governance responsibility which individual members hold as members of the IJB
 - *Governance of people* – although the IJB does not have specific responsibilities as an employer it does have a profound interest in the performance and governance of staff delivering services under its directions, workforce development as a strategic risk and the quality and development of capacity in the system overall – the NHS and CEC and third parties
 - *Finance* – this appears to be reported in similar form directly to the full Board, as well as to the Performance and Quality subgroup, which undermines the effectiveness of both.
- 2 The terms of reference for these groups are inconsistent in relation to titles (committees and subgroups and groups etc.), where they report and their relationship to the assurance model for the IJB. Some are operating in effect as formal sub-committees of the IJB (Audit and Risk) whilst others (Professional Advisory Group) are clearly fulfilling advisory roles through the membership of the joint chairs of the IJB as non-voting members.
- 3 The role of the **Professional Advisory Group** has a wide ranging remit, namely “to provide an integrated professional grouping through which health and social care professionals can influence the planning and delivery of delegated services and provide advice to the IJB.” The membership seems imprecise and attendance is irregular. The active participation of the co-chairs is welcome by fellow board members, but the PAG needs further rethinking to clarify its intent and value.
- 4 Accountability, reporting and membership of the different **strategic planning** groups seem both complex and unclear, including to Board members
- 5 The remit of the **Audit and Risk Committee** needs to establish a clearer formal responsibility to the IJB. Currently it is “to ensure appropriate consideration of governance, risk and assurance matters in line with good practice governance standards in the public sector.” This should be more precise and in line with best current practice in audit committees, bring to bear its independence and external/ public reporting role.
- 6 The remit of the **Performance and Quality Group** is not clear enough on delegated responsibility. Currently it is “to provide assurance that the performance and quality of delegated functions are being effectively assessed and managed. ”
- 7 Formal reporting processes to the IJB are unhelpfully imprecise. The Chairs of any committee or group fulfilling an assurance role for the IJB should have a clear reporting responsibility and operate to a protocol for doing so. Reporting arrangements and responsibilities generally need to be clearer and the performance of roles by non-voting members of the Board and participants in Board-linked sub-committees and groups be better defined.
- 8 The understanding of the NHS Board and the full Council still seems underdeveloped about roles and responsibilities of the IJB as much as the members’ roles and accountabilities in the IJB.
- 9 Memberships of sub-committees should reflect expected contribution to their core purpose rather than simply fulfilling a representative role. As with any board or committee the expectation and responsibilities of members should be identified in advance. Confirmation of acceptance of the responsibility and its consequences should be formalised. This is not the case for most of the IJB-related groups.
- 10 More fundamentally the distinct roles of voting members, as opposed to non-voting members, need to be re-affirmed. Voting members need to feel that as a group with specific responsibilities there is greater clarity on how decisions are reached which carry the authority of the Board. No tradition of formal voting has been established, reflecting an understandable desire to reflect an inclusive approach. However, the Board needs to be clear about the distinction between discursive consideration and the decisions its takes, when responsibility becomes accountability.

10.2 Change to structures

We have used a set of guiding principles to guide the design process:

- Any function delegated by the IJB should be formally treated as sub-committee
- Sub-committees should have clarity on their role and be directly related to specific strategic and statutory responsibilities
- Delegated responsibilities should be reviewed annually as part of the risk appetite development
- The frequency of meetings should be kept to a minimum
- Membership should be active and attendance regarded as a formal responsibility
- Outcomes and performance management arrangements for each sub-committee should be clear
- There should be a clear separation of responsibilities and clarity on remits and reporting processes
- The Chairs of each sub-committee should be a voting member of the Board and should be subject to performance assessment for that role
- Strategic risk should be retained by full IJB for the next year.

We have also been sensitive to the available time of both members and officers and perceptions beyond the Board. On the one hand any increase in number of sub-committees is likely to be considered as increasing bureaucracy, requiring additional time from members and more administrative support to make it work effectively. But it must be remembered that the IJB was established with the very minimum of infrastructure, reflecting views at the time, which are changing as the value of the IJB is beginning to be recognised. It is important the Board does not paint itself into a corner with this type of thinking. The IJB needs to establish itself as a serious entity providing confidence to partners and the public. Sound but measured governance is an essential part of that equation. Good governance should be seen as saving time and resources as well as increasing focus and effectiveness.

The rationale for a small number of balanced committees is that members can become more involved in deeper discussion of issues of interest on behalf of the full Board, and that more value can be gained from a wider range of skills in the sub-committees, by being thoughtful about membership and contribution that might be involved. All sub-committees other than SPG and Audit are optional and as such should be subject to regular review. This will avoid redundant committees being retained and make space for new committees as needed. We suggest a straight-forward structure as follows. This is not intended to be didactic but to show how a set of new committees would allow the board the time and space members rightly suggest they need

10.3 Proposed structure

The Board

The Board, as described by King IV, and as stated earlier, is responsible for:

- **to steer the organisation** and set strategy
- **to approve policy** and effective planning
- to oversee **monitoring and performance**
- to be accountable to stakeholders through effective and **ethical leadership**

Other specific responsibilities more traditionally used to describe the function of the Board include

- establishing vision, mission and values
- setting strategy and structure
- delegating to management
- exercising accountability and being responsible to relevant stakeholders

The creation of a sub-committee structure is directly connected to discharging these responsibilities and in respect of each committee, excluding Audit and the SPG, is a matter of choice for the IJB. The suggestion here is to retain a pattern of two-monthly formal meetings, with other planned business and developmental activities scheduled inbetween, as described elsewhere in this report. This will help with the planning of time and contribution.

Each committee is deliberately set out with a simple statement of purpose, together with comments on frequency of meeting, areas of coverage and notes on membership.

New terms of reference for the whole committee structure, once agreed, should be included in the Governance Handbook.

Committee	Remit and purpose	Comments
Strategic Planning (Group)	<p>To oversee strategic planning processes to meet statutory obligations placed on the IJB in respect of strategies and plans.</p> <p>To provide assurance to the IJB that processes are fully inclusive of stakeholders and partners and formal consultative processes are followed.</p> <p>To identify on behalf of the IJB key priorities, progress arrangements and outcomes in relation to the planning of services.</p> <p>To quality assure proposed directions in support of the operation plan for recommendation to the IJB.</p> <p>To assess business cases for recommendation to the IJB for decision.</p>	<p>This is a sharper remit and purpose.</p> <p>The IJB is legally required to set up a Strategic Planning Group as a means of enabling stakeholders to influence the planning and delivery of delegated services.</p> <p>Meeting frequency – no more than 6 times a year.</p> <p>Membership would need to include the prescribed groups of persons to be represented in strategic planning group: • health professionals; • users of health care; • carers of users of health care; • commercial providers of health care; • non-commercial providers of health care; • social care professionals; • users of social care; • carers of users of social care; • commercial providers of social care; • non-commercial providers of social care; • non-commercial providers of social housing; and third sector bodies carrying out activities related to health care or social care. be significantly reduced.</p> <p>Current specified tasks would be revised to clarify formal responsibilities. Reporting arrangements and accountability. The reporting structures of the Strategic Plan Reference Boards and Strategic Planning Partnership would be revised and aligned to make accountabilities arising from the SPG clearer.</p>
Performance and delivery	<p>To provide assurance to the IJB that the IJB is doing what it has committed to do.</p> <p>To oversee on behalf of the IJB a performance and progress reporting framework and supporting processes which provide assurance to the IJB about progress and delivery.</p> <p>To receive progress reports from accountable officers on finance, duty of care, quality, variations etc.</p>	<p>This sub-committee would in effect do the “heavy-lifting” for the Board on:</p> <ul style="list-style-type: none"> • monitoring and scrutiny – how is the IJB doing against what it said it would do • meeting statutory targets and metrics • financial plan and CIP • contract and service delivery • employer and workforce metrics • fulfilment of values and duty of care <p>This represents a single focus for understanding. Meeting frequency needs to reflect appetite but bi-monthly meeting with a monthly update without meeting might be needed.</p> <p>Membership would be tight and include both voting and non-voting members.</p> <p>The Chair would be responsible for reporting on outcomes and exception issues arising to the full IJB.</p> <p>An integrated reporting process and narrative would be provided by the Executive to each Board meeting.</p>
Audit and assurance	<p>To provide assurance to the IJB that it is fulfilling all its statutory requirements and all systems are performing as required, with appropriate and consistent escalation of notice and action.</p> <p>To review and continually re-assess their system of governance, risk management and control, to ensure that it remains effective and fit for purpose.</p> <p>To oversee the annual audit programme in respect of the IJB's services.</p> <p>To develop integrated public reporting of the IJB as an independent, objective process (see note below).</p> <p>To ensure that its arrangements for delegation within the IJB structures promote independent judgement, and assist with balance of power and the effective discharge of its duties.</p>	<p>This fulfils a statutory requirement with senior officer therefore in attendance.</p> <p>The Committee will be chaired by a non-office bearing voting member of the IJB and will rotate between NHS and CEC. (see note below on the Chair*).</p> <p>The Committee will consist of not less than 4 members of the IJB, excluding Professional Advisors. The Committee will include at least two voting members, one from Health and one from CEC. The Board Chair, Chief Officer, Chief Finance Officer, Chief Internal Auditor and other Professional Advisors and senior officers as required as a matter of course, external audit or other persons shall attend meetings at the invitation of the Committee. The Chief Internal Auditor should normally attend meetings.</p> <p>The external auditor will attend at least one meeting per annum.</p> <p>Oversight of whether systems have successfully met standards of :</p> <ul style="list-style-type: none"> • financial probity • stewardship of assets • clinical and care governance • staff governance • Board assurance framework • Benchmarking • Public reporting • duty of care <p>Meeting frequency would most likely need to be a maximum of 4 times a year.</p>

Committee	Remit and purpose	Comments
Clinical and care governance	<p>To provide assurance to the IJB on the systems for delivery of safe, effective, person-centred care in line with the IJB's statutory duty for the quality of health and care services.</p> <p>To provide assurance to the IJB that clinical and care governance is being discharged within the Partnership in relation to the statutory duty for quality of care and that this is being led professionally and clinically with the oversight of the IJB.</p> <p>To provide the strategic direction for development of clinical and care governance within the Partnership and to ensure its implementation.</p> <p>To ensure that there are effective structures, processes and systems of control for the achievement of the IJB's priorities, where these relate to regulatory compliance, service user experience, safety and the quality of service outcomes.</p> <p>To assure the IJB that services respond to requirements arising from regulation, accreditation and other inspections' recommendations.</p>	<p>Meeting frequency – no less than 4 times a year. This would provide the necessary focus for priority setting and reporting arrangements covering all services for which the IJB is responsible.</p> <p>It would be supported by a network of clinical governance arrangement which already exist but whose outcomes and processes need to be integrated and standardised to provide effective system assurance for the IJB to fulfil its responsibilities. This would include an escalation beyond the IJB of issues.</p> <p>The Committee would consider and approve high value clinical and care risks, consider the adequacy of mitigation, the assurance provided for that mitigation and refer residual high risks to the Board. It has a key role in assuring the board that learning from governance systems across services, including learning arising from incidents, complaints and identified risks, is shared and embedded as widely as possible.</p> <p>It is important that the risk registers, financial and operational delivery, the innovation and transformation programmes are identified as the responsibility of the Executive who would report through the Performance and delivery sub-committee.</p> <p>Main duties:</p> <ul style="list-style-type: none"> • set clinical and care governance priorities and give direction to clinical and care governance activities • develop clear strategic objectives for clinical and care governance and reporting processes covering all services including third and independent sectors • oversee work of subgroups on clinical and care and staff governance to provide assurance for IJB • escalate to the IJB any unresolved risks that require executive action arising from risk register or that pose significant threat to patient care, service provision or the reputation of the Partnership. • direct processes within the Partnership to ensure appropriate action is taken in response to adverse events, scrutiny reports/action plans, safety action notices, complaints and litigation. • disseminate examples of good practice and lessons learned are disseminated within the Partnership and beyond if appropriate
Futures	<p>To provide strategic focus and stimulus on long-term issues relevant to the vision and purpose of the IJB.</p> <p>To evaluate assurance to the IJB about strategic approach to capacity building, community development, consultation and engagement.</p> <p>To provide protected time and space for consideration of the core narratives for change and transformation on behalf of the IJB .</p>	<p>This committee would provide a broader, 10 year focus that the shorter-term, service planning remit of the SPG. Its membership would be based on a core membership with an open style.</p> <p>The types of issue which the committee would engage with would for example include:</p> <ul style="list-style-type: none"> • Implications of IT and AI for care and services • Workforce of the future and changing work patterns • Innovation in connecting with the public • International models of best practice in integration and delivery • Core narratives on change • Capacity building • Community engagement • Design of consultative and engagement processes • Clinical leadership and engagement • Engagement with voices • Community development – voluntary, commercial and entrepreneurial

*Note on Audit and Assurance Sub-Committee (AAC)

The creation of this set of sub-committees allows a much more innovative approach to be taken to future-proof the IJB.

The new IJB structure creates an additional need for a robust audit committee and arguably it should be chaired by an independent chair who might incidentally combine the role with that of a SID (senior independent director) offering advice and counsel to board members and others.

The Audit and Assurance Committee should ensure robust risk management structures and in future assurance that the ambitious plans of the IJB are on track or that lessons are learnt to get back on track. As such it has important relations with the Futures and the Performance and delivery sub-committee, though more of process than substance. Where the board has developed an annual delegation to management and committees, with appropriate delegation; the audit committee can be asked to check these arrangements are working effectively. This will allow the board to remove risk from its risk/assurance systems which otherwise just get clogged with a list of residual risks.

The sub-committee could hold responsibility for producing an annual public report. This is a non statutory report. This should be based on the King IV integrated report model which defines a set of capitals distinct from usual access and finance measures. The capitals could represent the values and commitments of the IJB: public service, respect for staff, working partnerships, well trained staff, using the health and social care pound locally, sustainability, joined up services, health and well-being improvements, innovation, good neighbour, easy to deal with etc. The report would provide an honest scrutiny and update on the trajectories to add value to these plans, with guidance on how best to progress in future. The AAC would not have to write the whole report but it would sign it off as true and fair and thereby hold the organisation to account. The Audit Committee must be seen to be independent to allow it to do this so we recommend an independent chair i.e. not a board member from health or local government but possibly from a university or criminal justice background.

We believe this suite of sub-committees provides the balance of governance which would be expected for the IJB into the future.

In considering its position the Board may also wish to consider this section of the Integration Scheme which provides the IJB with the reassurance that it is able to implement the proposed changes under its own authority: 1.5 In the interests of efficient governance, the relevant committees of NHS Lothian and CEC will continue to discharge their existing remits for assurance and scrutiny of the carrying out of NHS Lothian and CEC functions, regarding matters such as internal control, quality and professional standards, and compliance with the law. The Integration Joint Board will not duplicate the role carried out by those committees other than in exceptional circumstances where the IJB considers that direct engagement by the IJB (or by a committee established by the IJB) is appropriate in order to secure the proper discharge by the IJB of its statutory responsibilities.

Recommendation 8

The Board should agree and implement a revised committee structure to strengthen its overall governance

10.4 Advisory Groups

The role of the Professional Advisory Group needs comment and consideration. We understand and respect the intent which lay behind its being set up and also the role it has fulfilled to date in the absence of an effective infrastructure for the IJB.

However its terms of reference and accountability do not make its role in the governance of the IJB clear enough. There is both a statutory requirement and an obvious value in the IJB being shaped in some way by professional advice and voice. The chairs are active and their advice and personal contributions in a Board setting are seen as helpful and adding value. But the authority and impact of the PAG itself seem unclear and potentially confusing.

The PAC is constituted to provide advice but the status and consequences of its advice are difficult to track. We would suggest that the role of the PAC should be reconsidered.

The creation of the Futures and the Clinical Care Governance committees, alongside the revised SPG, would provide an opportunity to increase the influence of professional voices more systematically in the core sub-committees. This would reduce the need for the PAG in its current form and could allow active members of the PAC to migrate to the new committees.

The membership of the Futures and SPG committees should reflect a wider range of expertise, partners and voices. This would embed the professional and public engagement principles in practice and allow the Professional Advisory Group to undertake deeper-dive work as commissioned by the sub-committee. This would help focus the value of the PAG and might encourage greater active involvement from potential members which the PAG currently struggles to attract consistently.

Recommendation 9

The role and remit of the Professional Advisory Group is revised to provide a clearer relationship to the work of the sub-committees of the IJB

10.5 Connectivity

This review has focused on the direct governance infrastructure connected to the IJB itself but a much more detailed organogram showing the flow of accountability is also needed.

Recommendation 10

The Board commissions a full map of governance showing the key relationships and accountabilities which constitute its governance

10.6 Business Flow

Whatever structures the Board decides upon there are several recommendations around business flow which we believe would help increase the effectiveness and transparency of IJB governance. These are set out in the recommendations which follow:

Recommendation 11

The Board should adopt a rolling annual cycle of business

This would set out the formal schedule of meetings and the core business of the Board and its sub-committees to be executed at each meeting in order to fulfil its statutory, budgetary, strategic intent and other objectives. This is more than a planning tool and would be agreed by the IJB and reviewed regularly to ensure all members were clear where and when business was being transacted in the sub-committees and in full Board. For the Executive this should ideally extend to include the senior management team and its processes.

Recommendation 12

The IJB should establish a Programme Office responsible for supporting the Board and the flow of business related to it and its governance

This need not be a significant resource but it needs to be sufficient. The aim for the role would seek to make the best use of the time committed by members, by improving the effective flow, communication and support available to Board members and those fulfilling additional responsibilities including chairs of subcommittees. The impact of improving the focus and quality of Board papers on the effectiveness of the IJB should not be underestimated. However challenging this may be given other demands for limited space, there should be a specific, private space found to provide a physical base for members as well.

Equally the Board cannot expect to achieve any level of sustainable success unless its core governance support arrangements are put on a firm footing. This extends beyond just the proper clerking of committees. The programme office would provide the engine-room for a more streamlined and effective flow of information, for better briefing material and support to members as well as the formal papers to support the Board and its sub-committees. This could potentially be combined with the external communications and engagement capacity which will be needed to support the partnerships and therefore meet the role of a Board Secretary with a wider responsibility.

One other point. We understand the importance and value of conducting and web-streaming the Board meetings. However, we suggest this is kept under review as the current arrangements and location reinforce an over-formality in the conduct of business and endorses a possible perception that the IJB is indeed a council committee rather than a very different autonomous body.

10.7 Capacity and people

There are strong signs that the IJB is growing into a permanent organisation which is clear about its purpose and the capacity it needs to succeed.

So far the emphasis in this report has been on the Board and its members, but also critical to the effective governance of the organisation is the capacity and expertise which the organisation is able to deploy. The nature of an IJB includes an assumption that it should be able to mobilise a range of talent from across the whole health and care system, as well as those who are more clearly identified as staff directly linked to IJB governance review. This is a long-term project which should become easier as the way of working, the value and impact of the IJB becomes more established.

There are a number of areas however where greater clarity may be necessary more immediately. It is important that the Board and the Executive are absolutely clear to whom they owe a duty to care and how it intends to meet its obligation to both staff and members of the public. The review team were unclear whether this was fully represented in the business of the Board. This depends perhaps on a greater sense of pace about the connection of staff from different backgrounds to the purpose of the IJB and for this to be clearer to the staff themselves. Similarly, the place and implications of staff governance in terms of the operation of the governance of the IJB as an autonomous entity, although articulated in the Integration Schedule, seems to be less clear in practice.

The executive structure has been strengthened in recent months with clearly defined roles for senior leadership team, professional and locality accountability. This provides clarity on lead functions. It is reassuring to see that there is recognition that further investment in roles connected to the transformation role of the IJB and/or clarification of responsibilities around change is needed to match the accountability placed on the chief officer and the senior professional team.

Although beyond the scope of our review we would also comment that it is important that the Board are assured about the capacity and expertise which goes deeper into the organisation, especially in respect of core financial, planning and governance roles. We would suggest that an (independent) assessment is undertaken to provide the assurance needed that the organisation is establishing the capacity it needs following a period of uncertain leadership.

We would note that there are a number of interim roles covering key functions, and we understand there is an active programme to fill these permanently as a matter of priority. We would support this approach as there is clear evidence that stability in leadership provides greater likelihood of sound governance and will increase confidence in the IJB as a credible and reliable partner.

Recommendation 13

The Board should commission an (independent) assessment of the leadership and managerial capacity needed for the IJB to succeed in the next three years

10.8 Relationships and engagement

The need for the IJB to be visible and connected to local neighbourhoods, communities, partners and employers across Edinburgh and beyond is essential for future success. The ability to connect to and shape public expectations and behaviours is a challenging proposition, which can only be delivered in partnership with others.

Edinburgh has a thriving voluntary sector, a strong social entrepreneurial base, well-developed local neighbourhoods and networks, innovative housing and care infrastructure as well as core health and care services, all of which will be directly relevant to its success.

Edinburgh also contains significant skills, experience and capacity built into communities and people with histories, backgrounds and knowledge who are not be part of existing networks or wish to be. This resource also needs to be connected into the way the IJB works to shape public expectations and behaviour.

Recommendation 14

The Board builds relationship building, engagement and community development consistently into its governance structures at Board, Executive, professional and locality levels

This raises a number of governance issues:

What are the respective roles and responsibilities of Board members and the senior leadership team in terms of connection to the public?

*What is the relationship with public health and public protection functions in governance terms?
How does the Board avoid duplication and add value and dynamic to existing local approaches?*

What are our processes for prioritising and working through the nature of the style of engagement and partnership?

The IJB will need to consider how it manages the consequences of listening, inclusion, and engagement processes more systematically than it currently does.

These issues currently are addressed in full Board as they arise or are linked to formal strategy development processes. As a result they have to compete for time and space with other purposes and operational business. The revised structure we propose provides a specific focus on the long-term future and the role of capacity-building internally and externally as a core priority for the IJB built into its governance structures.

Recommendation 15

The Board spends dedicated time on a structured basis to developing a clear governance approach to engagement and public accounting

10.9 Impact and performance

The impact of the IJB depends in part on the quality and impact of its use of directions – the mechanism by which it makes its intentions on service change turn into concrete action.

A review of the approach to directions suggests that EIJB could include more clarity on outcomes, with specific and more comprehensive metrics and clearer reporting and accountability arrangements, including penalties. Equally the IJB is a vehicle for wider cultural change and innovation as an organisation. Consideration could be given to make Directions perform a change function beyond the specific focus of a service with greater emphasis on expectations around partnership working, inclusivity, equality and standards of conduct for example and for this to form part of the metrics.

Recommendation 16

The Board develops a template for Directions which uses a suite of metrics and performance reporting which reflect its vision, values and mission as well as the specific expectations for service delivery

10.10 Performance and progress reporting

It is clear from the review of documentation that performance reporting and monitoring continues to evolve. There is a recognised need for the Board to play an active role in shaping the information needed to provide assurance. The proposed change in structures and a move to integrated reporting should provide the right infrastructure for members and Executive officers to establish a rhythm to reporting which deals with current frustrations with the quality and timeliness of information. Importantly, having an effective focus in a committee on the more detailed performance information will enable the Board to spend more time itself on strategic and developmental issues.

In the absence of an active committee with that responsibility, we found it difficult to gauge what action might be needed to improve performance reporting processes, but the way performance information is presented at the IJB requires streamlining to enable members to understand the critical issues more clearly and to spend their time constructively.

The IJB however in addition to currently reported metrics needs to settle on a wider set of indicators of success – on engagement, public health, innovation – which would also form part of routine progress and reporting timetabling, albeit on a less frequent basis.

This focus on wider social and economic impact is important not just in translating vision into practice, but in growing wider alliances, challenging thinking and developing leverage which can be included in the directions. These new indicators would also form the basis for external reporting of progress. It is another way that the IJB can be innovative with a purpose.

This can only be achieved through partnership reporting and indeed some of the performance reporting should include reports from partners other than CEC and NHS Lothian.

Recommendation 17

The Board develops a set of performance indicators which reflect the IJB's whole vision, and track its impact on engagement and longer-term social and economic progress with partners, as well as operational plans

The IJB has been slow to establish a vehicle for its unique identity and presence. The development of a distinctive website is an important priority which we understand is being developed. Its value in shaping the perception of the organisation and its value cannot be underestimated.

The purpose of the website in governance terms needs to grow understanding of shared intent and the core responsibilities around engagement and partnership to achieve concrete change, and in time to promote impact through integrated reporting.

Recommendation 18

The Board puts in place a website which promotes its identity, values and impact, and acts as a vehicle for engagement and change in its own right with neighbourhoods, communities and local citizens

10 Road map

This report suggests a set of recommendations and changes which are meant to be taken together as a road map to strengthen governance over time. The whole programme will of course require careful timetabling to ensure the interdependencies are worked through and sufficient momentum is generated in the right areas early on.

It is important we feel to stress that the timing matters. The IJB is entering a period in the next few weeks where it will need to have in place the right level of governance to accommodate a series of significant challenges and also a strategic transformation programme. We suggest an approach which accepts the whole governance package but initially chooses the areas of maximum impact without delay.

Priority action (within 3 months)

- Structures agreed in principle and fully operational for the new financial year
- Good governance handbook live
- Board development programme developed and first session organised and run
- Template for Directions approved and in use

This will provide initial momentum with other recommendations paced over the following months, using a project plan or road map approach to ensure all aspects of the report are covered.

11 Conclusion

The overall conclusion of this report is that Edinburgh IJB should take action to strengthen its governance arrangements to meet current and future requirements and challenges. It is difficult to see how the IJB will be able to make the level of progress it wishes to make without putting in place the changes to strengthen governance as proposed.

The 18 recommendations are intended to provide the basis for a road map which can be implemented in phases over time. However there are a number of priority areas which we suggest are more pressing.

There is a danger that the IJB could not only miss an opportunity to make a difference without taking action now, but also find itself quite quickly at the behest of the agendas of others whose interests will be different and may be more constricting.

It is always worth considering the opportunity costs where governance is concerned. This report it must be remembered in part reflects the issues raised by those interviewed and the solutions they identified, as well as the professional and independent assessment of GGI.

Edinburgh IJB is in an excellent position to make the next steps in establishing itself as a permanent and credible agent for change and also as a pioneer of the type of dynamic and confident approach to governance which IJBs need to pursue if they are to succeed.

Summary of Recommendations

Recommendation 1

The Board adopts a clear, planned approach to its development as an entity and agent for change over the next year

Recommendation 2

The Board commissions a Good Governance Handbook for adoption in early 2019

Recommendation 3

The Board adopts an underpinning philosophy of governance which supports a clear sense of autonomy, agency and entity for the IJB

Recommendation 4

The Board develops a series of narratives about how and what the IJB is seeking to achieve, in sufficient detail to allow the collective intent of the Board to be clear, and for all members to be seen to be committed to a joint purpose and to permit engagement with stakeholders

Recommendation 5

Protected time needs to be devoted for the Board and senior leadership team to achieve the right level of collective working and address complex issues around accountability between Board members themselves and between the Board and the senior leadership team

Recommendation 6

The Board should commission a development programme for members to be delivered during 2019

Recommendation 7

The Board should commit to an integrated risk and escalation framework, shaped by a risk appetite owned by all Board members, supported by a risk methodology, and supported by subcommittees and systems providing specific assurances and clear escalation processes

Recommendation 8

The Board should agree and implement a revised committee structure to strengthen its overall governance

Recommendation 9

The role and remit of the Professional Advisory Group is revised to provide a clearer relationship to the work of the sub-committees of the IJB

Recommendation 10

The Board commissions a full map of governance showing the key relationships and accountabilities which constitute its governance

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The Board builds relationship building, engagement and community development consistently into its governance structures at Board, Executive, professional and locality levels

Recommendation 15

The Board spends dedicated time on a structured basis to developing a clear governance approach to engagement and public accounting

Recommendation 16

The Board develops a template for Directions which uses a suite of metrics and performance reporting which reflect its vision, values and mission as well as the specific expectations for service delivery

Recommendation 17

The Board develops a set of performance indicators which reflect the IJB's whole vision, and track its impact on engagement and longer-term social and economic progress with partners, as well as operational plans

Recommendation 18

The Board puts in place a website which promotes its identity, values and impact, and acts as a vehicle for engagement and change in its own right with neighbourhoods, communities and local citizens



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