

Minute

IJB Performance and Delivery Committee

3pm, Thursday 20 August 2020

virtual meeting by MS Teams

Present

Voting Members

Councillor Melanie Main (Chair) and Councillor Phil Doggart.

Non-Voting Members

Colin Beck and Helen Fitzgerald.

In Attendance

Tony Duncan (Head of Strategic Planning, EHSCP)
Helen Elder (Executive Management Support, EHSCP)
Jenny McCann (NHS Senior Accountant)
Graeme McGuire (NHS Senior Accountant)
Moira Pringle (Chief Finance Officer, IJB)
David Walker (CEC Senior Accountant)

Apologies

Richard Williams (Committee Member), Philip Brown (CEC Strategy & Communications) and Jenny Boyd (NHS Lothian)

1. Minute

Decision

To approve the minute of the Performance and Delivery Committee of 31 January 2020 as a correct record.

2. Work Programme

The Committee's Work Programme was submitted. The IJB's Annual Performance Report would be presented to the IJB meeting on 24 August 2020 with a recommendation that it be referred to the September meeting of this Committee for scrutiny.

In normal circumstances, the Annual Report would have been submitted to this Committee first for review but due to timings around issue of IJB meeting papers this had not been possible.

Decision

- 1) To continue consideration of the Work Programme to the next meeting of this Committee.
- 2) To note that the Annual Performance Report would be submitted to the next meeting of this Committee.

(Reference – Work Programme, submitted)

3. Financial Outturn 2019/20

The financial outturn for 2019/20 was presented. Three key elements were highlighted – operational break even, savings and the recovery programme. The annual accounts would be reported to the IJB in September with budgeted and actual showing a break even position.

The IJB continued to face financial challenges but a positive message in the outturn report was that a break even position had been achieved for the first time since the IJB was established.

However, the opening gap in the financial plan and the continued use of one off resources to achieve financial balance remains a significant concern. This was reflective of the fact that the IJB faced a number of material and long standing financial pressures and a baseline gap in the financial plan which was unable to be addressed on a recurring basis. The financial framework set out what a path to financial sustainability could look like and this would be further explored as the financial strategy was developed.

Members discussed the presentation of the financial information and agreed it would be helpful to have additional narrative included around the variances, and to add in cross referencing so that Committee could understand what had been achieved set against the baseline.

Members also felt it would be helpful to see variations between management and financial accounts for clarity on a quarterly basis to have an understanding of where any potential discrepancies might lie. A headline analysis would be helpful to give members comfort that the analysis was being undertaken to identify potential pinch points and where things that have gone wrong or gone better than expected

The Committee was advised that the reasons for services hosted by other partnerships showing a £1m underspend was largely in mental health services where they were carrying a significant number of vacancies.

Decision

- 1) To note the financial outturn for 2019-20 and that the revised appendices to the report would be circulated to members following this meeting.

- 2) To agree that more detailed narrative around the variances be included in future reports to enable members to understand the reasons behind variances, what had been the impact and what were the factors in place to mitigate risk.
- 3) To provide members with a briefing note on the impact of the levels of vacancies on services, staff and agency spend.
- 4) To provide members with information on the reasons for large numbers of vacancies in the hosting services rather than core services.

(Reference – report by the Chief Finance Officer, Edinburgh Integration Joint Board, submitted)

4. Finance Update 2020-21

At its meeting in July the IJB had agreed the 2020/21 financial plan. Whilst the plan set out how financial balance could be achieved in year, this was heavily reliant on one-off measures. The Board had also noted that both partners (the City of Edinburgh Council and NHS Lothian) had commissioned work to further understand the financial impact of COVID-19.

The Chief Finance Officer provided a verbal update on the projected year end operational position for delegated services. Finance teams in both organisations would determine the extent to which the £10.9m projected overspend related to the 'core' (i.e. underlying operational) position, the impact of COVID-19 on costs incurred to date and any future financial consequences of mobilisation/remobilisation.

The Council had just completed its period 3 monitoring report, the first of the financial year. This showed a projected overspend for the year of £3.8m, due mainly to care at home and reduced income. The forecast was predicated on the recovery of COVID-19 costs through the mobilisation planning process and current levels of spend across all cost headings.

NHS Lothian had now published the financial results to the end of July and was finalising their quarter 1 review. They had taken a different approach from the Council to additional COVID-19 funding and had not, at this stage assumed any additional monies.

Members expressed concerns about the inconsistencies in approach taken by the partner organisations in gathering financial information. It was important that the IJB was provided with the financial information it required to allow for scrutiny and to make appropriate decisions and members felt this was critical as to how the Board functioned as an independent organisation. Financial information presented in two different ways was not acceptable.

Decision

- 1) To note that the finance update paper had not been circulated to members in advance of this meeting and that the report be circulated to members of this Committee prior to the IJB meeting on 24 August 2020.
- 2) To agree that, prior to the September meeting of this Committee, finance officers from the Council and NHS Lothian have a discussion

with the purpose of identifying a more consistent way of collating and reporting financial information to the Committee and the IJB.

- 3) Thereafter, to arrange a briefing session for members with a view to presenting options on what would be possible to get to the point where consistency of approach and an understanding of the financial information was achieved.

(References – Integration Joint Board 21 July 2020 (item 6); report by the Chief Finance Officer, Edinburgh Integration Joint Board)

5. Date of Next Meeting

Decision

Monday 28 September 2020 at 10am to be held virtually by Microsoft Teams