



## **AUDIT AND PERFORMANCE SYSTEMS COMMITTEE**

### **Minute of Meeting**

**25 October 2016**

**Community Health and Social Care Village, Aberdeen**

Present: Professor Mike Greaves (NHS Grampian) Chairperson; and Councillors Ironside CBE and Young (for items 1-8); and Rhona Atkinson (NHS Grampian).

Also in attendance: Judith Proctor (Chief Officer, Aberdeen City Health and Social Care Partnership (ACHSCP)), Alex Stephen (Chief Finance Officer, ACHSCP), Kevin Toshney (Acting Head of Strategy and Transformation, ACHSCP), Jimmie Dickie (Accountant, Aberdeen City Council (ACC)) (for items 6 and 7), David Hughes (Internal Audit), Gail Woodcock (Integrated Localities Programme Manager, ACHSCP) (for item 9), Kenneth O'Brien (Service Manager, ACHSCP) (for item 10) and Iain Robertson (Clerk, ACC).

Observing: Hannah Campbell and Hilary Merrett (Good Governance Institute (GGI)).

Apologies: Tom Cowan (Head of Operations, ACHSCP) and Jillian Evans (NHS Grampian).

### **OPENING REMARKS**

1. The Chair opened the meeting and welcomed Rhona Atkinson onto to the Committee as a voting member representing NHS Grampian. He also advised that officers from the Good Governance Institute would be observing today's meeting. Thereafter members introduced themselves.

#### **The Board resolved:-**

To note the information provided.

### **MINUTE OF PREVIOUS MEETING – 11 August 2016**

2. The Committee had before it the minute of the previous meeting of 11 August 2016.

**The Committee resolved:-**

To approve the minute as a correct record.

**BOARD ASSURANCE FRAMEWORK**

3. The Committee had before it the Board Assurance Framework for members' consideration.

**The Committee resolved:-**

To note the Board Assurance Framework.

**CORPORATE RISK REGISTER**

4. The Committee had before it the Corporate Risk Register for members' consideration.

Alex Stephen (Chief Finance Officer, ACHSCP) advised that an additional column had been added to the Strategic Risk Register which set out whether performance had improved, deteriorated or remained the same for each indicator. Otherwise there were no other substantive changes to the Corporate Risk Register.

**The Committee resolved:-**

To note the Corporate Risk Register.

**COMMITTEE MEETING DATES 2017-18**

5. The Committee had before it a report by Sarah Gibbon (Executive Assistant to the Chief Officer) which proposed a meeting schedule for the Audit and Performance Systems Committee for 2017-18.

**The report recommended:-**

That the Committee agree the 2017-18 meeting dates as outlined in the report.

The Clerk appended a revised report and advised that the following meeting dates should be considered by members:-

11 April 2017;  
20 June 2017;  
12 September 2017;  
21 November 2017; and  
6 February 2018.

**The Committee resolved:-**

To agree the meeting dates as outlined in the revised report.

**TERMS OF REFERENCE: SIX MONTH REVIEW**

6. The Committee had before it a report by Alex Stephen (Chief Finance Officer, ACHSCP) which presented the Terms of Reference which required to be reviewed on a six monthly basis.

**The report recommended:-**

That the Committee consider the current Terms of Reference and recommend any potential changes to the IJB.

Alex Stephen spoke to the report and proposed that item 13 be revised to provide authority to the APS Committee to approve the Partnership's unaudited and audited annual accounts from September 2017 onwards. He advised that legislation was in place to allow the IJB to delegate this power to the Committee and added that similar practice had been adopted by Aberdeen City Council.

**The Committee resolved:-**

- (i) to recommend to the IJB that item 13 of the Terms of Reference be revised to delegate the power to approve the Partnership's unaudited and audited annual accounts to the APS Committee; and
- (ii) to instruct officers to prepare a developmental timetable for 2016-17 and 2017-18 and present this to the Committee's next meeting.

**PERIOD FIVE FINANCE REPORT**

7. The Committee had before it a report by Gillian Parkin (Finance Manager, NHSG) and Jimmie Dickie (Finance Business Partner, ACC) which summarised the current year revenue budget performance for the services within the remit of the IJB as at period five. The report advised on areas of risk and management action relating to the revenue budget performance of IJB services.

**The report recommended:-**

That the Committee note the report on the period five position in relation to the IJB budget and the information on areas of risk and management action that was contained therein.

Alex Stephen spoke to the report and advised that the Partnership's projected overspend was currently £1,027,000 at Year End but anticipated a reduction to an estimated £800,000 by period six. He explained that this was largely due to prescribing costs which were challenging to manage as these were demand led but noted that the Partnership had entered into discussions with pharmacists and primary care colleagues to gauge if efficiencies could be made. Mr Stephen highlighted that proposals to incentivise primary care staff to alter their prescribing approaches through a spend to save scheme were being developed.

Thereafter there were questions on the use of transformation funding to cover overspends and Alex Stephen advised that the Partnership had been drafting a financial strategy that would assess all its financial options. With regards to prescribing, he explained that the volume and cost of medicines had increased and the reduced value of the pound may exacerbate this issue in future periods. Judith Proctor (Chief Officer, ACHSCP) informed members that a workshop session on prescribing would be scheduled for a future IJB meeting and noted that it was a long term issue with multiple factors out with the Partnership's control. The Committee

also discussed the anticipated level of Scottish Government funding for 2017-18 and the community justice element of the Partnership's budget, to which members recommended a workshop session be arranged to increase the IJB's awareness of this delegated service.

**The Committee resolved:-**

- (i) to note the report on the period five position in relation to the IJB budget and the information on areas of risk and management action that was contained therein; and
- (ii) to recommend that a workshop session be arranged for IJB members on community justice.

**RESERVE STRATEGY**

8. The Committee had before it a report by Alex Stephen which proposed a Reserves Policy for the consideration of the Committee.

**The report recommended:-**

That the Committee consider and comment on the proposed Reserves Policy, prior to being submitted to the next IJB meeting for approval.

Alex Stephen spoke to the report and explained that the Partnership had the capacity to carry funds forward into the next financial year which was common practice for local authorities but a new way of working for the NHS. He advised that the reserves strategy would aim to strike a balance between financial security and the delivery of services and anticipated that between 1% and 2% of the budget would be earmarked as reserves for a risk fund. Mr Stephen informed the Committee that reserves would not be allocated to a separate fund but earmarked within the general fund and would be presented to the IJB to ensure transparency. He explained that if the risk reserve were to be used it would be their intention to replenish them.

Thereafter there were questions on the Partnership's current financial position and its capacity to accumulate reserves; and members advised officers to be mindful as the adoption of a prudent approach with respect to reserves may have an adverse impact on the level of funding allocated to the Partnership.

**The Committee resolved:-**

To recommend to the IJB that the Reserves Policy be approved.

**PERFORMANCE REPORT**

9. The Committee had before it a report by Jillian Evans (Head of Health Intelligence, NHSG) and Kevin Toshney (Acting Head of Strategy and Transformation, ACHSCP) which provided the Committee with a progress report on the development of the partnership's performance management framework, reported on the partnership's performance to date against the national outcomes and their suite of national and local indicators and outlined the improvement activity that had been taken forward.

**The report recommended:-**

that the Committee -

- (a) Note the progress that had been made to date in developing the partnership's performance management framework; and
- (b) Note the partnership's performance against the national outcomes and the associated suite of national and local indicators.

Kevin Toshney advised that the Partnership had adopted a tiered approach with regards to its performance management framework and explained that the framework would record how the Partnership had been performing in relation to its delegated functions and against the nine national health and wellbeing outcomes. Mr Toshney noted that the framework was a working document and would be subject to regular revision and that in due course the Partnership would develop bespoke, local indicators. He also noted that benchmarking was ongoing at regional and national levels and Sir Harry Burns had been commissioned to review the framework. Judith Proctor advised that the framework had recorded an improvement in delayed discharge performance and would be further developed to capture unmet social care need, care at home and hosted service performance. She explained that the Partnership had begun to use Tableau software to support business intelligence and that IJB members would be provided access to the system. She also suggested that the Committee may find it beneficial to arrange deep dive sessions that would focus on specific areas of performance at future meetings.

Thereafter there were questions on the low survey response rates and the representativeness of the data; the Partnership's response to the Care Inspectorate's report on the joint inspection of services for older people; the development of an acute care at home business case; and delayed discharge performance.

**The Committee resolved:-**

- (i) to note the progress that had been made to date in developing the partnership's performance management framework;
- (ii) to note the partnership's performance against the national outcomes and the associated suite of national and local indicators; and
- (iii) to request that officers review and prioritise performance areas that would be suitable for deep dive sessions at future Committee meetings.

**TRANSFORMATION PROGRESS REPORT**

**10.** The Committee had before it a report by Gail Woodcock (Integrated Localities Programme Manager, ACHSCP) which provided an update on the progress of the Transformation Programme.

**The report recommended:-**

that the Committee –

- (a) Note the ongoing process and progress in developing and delivering the Transformational Programme;
- (b) Note that a paper would be developed for the consideration of the IJB in respect of the requirement to issues directions to Aberdeen City Council and NHS Grampian in respect of areas of transformation; and
- (c) Request further updates on transformation progress.

Gail Woodcock spoke to the report and provided updates on the level of investment and areas of progress and challenge for the six areas of strategic investment as set out in the Strategic Plan. She advised that the transformation programme would be a long term investment to support cultural and generational change. The six areas for strategic investment were:

Acute care at home;  
Supporting management of long term conditions;  
Modernising primary and community care;  
Cultural/organisational change;  
Strategic commissioning and development of social care; and  
Information and communication technology and technology enabled care.

Thereafter there were questions on the Partnership's capacity to deliver the level of transformation as outlined in the report; and the role of the voluntary sector in supporting transformational change with regards to providing operational support at locality level.

**The Committee resolved:-**

- (i) to note the ongoing process and progress in developing and delivering the Transformational Programme;
- (ii) to note that a paper would be developed for the consideration of the IJB in respect of the requirement to issues directions to Aberdeen City Council and NHS Grampian in respect of areas of transformation; and
- (iii) to request further updates on transformation progress.

**WINTER PLAN**

**10.** The Committee had before it a report by Kenneth O'Brien (Service Manager, ACHSCP) which provided a brief description of the context and process behind the creation of the current winter plan for the partnership; documented the testing arrangements put in place in regards to the 2016-17 winter plan; and set out the monitoring arrangements for the winter plan.

**The report recommended:-**

that the Committee –

- (a) Review and approve the 2016-17 winter plan for the ACHSCP and its onward transmission to NHSG for inclusion in the Grampian-wide winter plan;
- (b) Endorse the review arrangements for the ACHSCP winter plan for over the 2016-17 winter period; and
- (c) Approve the publication of the finalised 2016-17 winter plan on the Partnership's website.

Kenneth O'Brien spoke to the report and outlined the consultation process and the rigorous desktop testing schedule that had been undertaken. Members welcomed the plan and were pleased with the robustness of the testing regime but noted that officers should be mindful that tests could not replicate certain practicalities and emotions that would only be prevalent in a live event.

**The Committee resolved:-**

- (i) to approve the 2016-17 winter plan for the ACHSCP and its onward transmission to NHSG for inclusion in the Grampian-wide winter plan;
- (ii) to endorse the review arrangements for the ACHSCP winter plan for over the 2016-17 winter period; and
- (iii) to approve the publication of the finalised 2016-17 winter plan on the Partnership's website.

## **ALEO GOVERNANCE HUB UPDATE: BON ACCORD CARE**

**11.** The Committee had before it a report by the Clerk which provided an update on the significant matters raised at the Bon Accord Care ALEO Governance Hub meeting on 15 August 2016.

### **The report recommended:-**

that the Committee –

- (a) Consider the issues raised in the report and identify any areas of concern; and
- (b) Note the report and the assurance summary in relation to Bon Accord Care.

The Clerk explained that a report, assurance summary and minutes had been submitted to the Council's Audit, Risk and Scrutiny Committee on 27 September 2016 and had been presented to the APS Committee for scrutiny of Bon Accord Care's service performance.

### **The Committee resolved:-**

To note the report and the assurance summary in relation to Bon Accord Care.

**PROFESSOR MIKE GREAVES, Chairperson.**