

REPORT TO: East Lothian Integration Joint Board

MEETING DATE: 26 November 2015

BY: Chief Finance Officer

SUBJECT: Policy on Directions

1 PURPOSE

This paper lays out a proposed policy for the Directions that will be issued by the IJB these Directions being issued to NHS Lothian and East Lothian Council in order to action the IJB's Strategic Plan.

2 RECOMMENDATIONS

- 2.1 The IJB is asked to note the content of this paper.
- 2.2 The IJB is asked to adopt this policy.
- 2.3 The IJB is asked to receive a further report on the details of the Directions and the reporting mechanism when these are completed.

3 BACKGROUND

- 3.1 The IJB requires a mechanism to action its Strategic Plan and this mechanism is laid out in sections 26 to section 28 of the Public Bodies (Joint Working) Act 2014. These sections describe how an IJB instructs a constituent authority to deliver the functions delegated to that IJB.
- 3.2 Section 26 (1) of the Act says '*Where the integration authority is an integration joint board, it must give a Direction to a constituent authority to carry out each function delegated to the integration authority*' and section 26 (5) says '*If a Direction such as is mentioned in subsection (4) is given, the Direction may—*

(a) require the persons to carry out the function jointly or only in so far as is specified in the Direction,

(b) require each person to carry out the function in relation to an area specified in the Direction,

(c) require each person to do particular things in relation to the function.

3.3 For the purposes of this paper, a 'Direction' is an instruction to one of the two partners (either the Health Board or the Local Authority) which lays out the delivery of the function (or functions) delegated to the IJB along with a specific amount of funds to resource that function. This may include outcome measure as appropriate

3.4 The Act (S 26 (3)) also lays out that the partners must provide appropriate information to allow a Direction to be drawn up by the IJB – *'A person to whom a Direction under this section may be given must provide the integration authority with such information as the integration authority may reasonably require for the purpose of its deciding—*

(a) whether to give the Direction,

(b) the content of the Direction '

This means that the IJB will be provided with the appropriate information by the partners to allow it to construct the Direction

Section 27(1) cover Directions around the 'set aside' budgets

3.5 The provenance for each Direction should flow from the IJB's Strategic Plan, thus the Directions will follow the Strategic Plan. However this means that the Strategic Plan – taking cognisance that the plan is to be enacted through Directions – will have to be presented in such a way as to allow Directions to be mapped onto it.

3.6 The Integration schemes are clear that the IJBs will work in partnership with both the Council and the Health Board and with other IJBs where these IJBs share pan-Lothian services. It is unlikely that it would be in the interests of any IJB to create unnecessary financial turbulence either within the services delivered on its behalf by the partners or in services delivered by the partners on behalf of any other IJB. The four Chief Officers will work together to ensure that any functions that are delivered on a pan-Lothian basis and delegated to the IJBs are managed appropriately.

3.7 Some of the functions delegated to the IJBs are managed on a pan-Lothian basis. The IJBs may wish to issue 'joint Directions' for such services (largely Hosted and Set Aside services). It may be that the IJB's might wish to agree a risk sharing model between themselves (e.g. for GP Prescribing) which would then be incorporated into the appropriate Directions.

It will be possible to issue 'joint' Directions for all of the four IJBs who are agreed on the delivery and resources for a particular pan-Lothian service.

3.8 The Direction requires to lay out the financial resources and the actions required to deliver the function by the partner. It is likely that there will be over and underspends in the delivery of the functions by the Partners and it may be that the Directions are used to address the management of these financial risks between the Partners and the IJB to complement the financial arrangements set out in the Integration Scheme. If the IJBs in the Lothian area wished to share financial risks amongst themselves then this could be done through 'partnership' Directions as above

3.9 Its important that the IJB defines what the monitoring processes are for the Directions that it issues. There are two broad options :-

- That the monitoring of Directions is embedded in the overall reporting by the partners on the IJB's budget and its performance monitoring system.
- That Directions are monitored on a Direction by Direction basis.

The IJB needs to consider what monitoring it requires and operational or audit issues, further work is underway to develop a performance monitoring process which will be presented to the IJB in due course.

3.10 Directions Policy

- A summary of the proposed Directions relating to the Strategic Plan will be attached to the Strategic Plan as an Appendix. In approving the Strategic Plan, the IJB will approve the Directions
- The Directions will be issued by the Chief Officer to the Chief Executive of the Council or the Health Board as appropriate
- Directions will be issued for all the functions that have been delegated to the IJB
- In totality, the Directions will show the disposition of all the resources allocated to the IJB.
- Directions will be as specific as the Strategic Plan requires but all Directions will lay out the actions required along with the resources available. It should be noted that an action might be to not make any changes to the current service.

3.11 Next steps

Clearly the policy above does not address the details of any Direction, and a great deal of further work is required to complete the detail and

content of individual Directions along with the mechanism to ensure that pan-Lothian services are appropriately managed through all four IJB's Strategic Plans. A proper system of monitoring of Directions is also required. A further paper will be brought back to the IJB to address these matters at its next meeting.

5 POLICY IMPLICATIONS

- 5.1 The relevant policy issues referred to in this report arise from the Public Bodies (Joint Working) (Scotland) Act 2014.

6 EQUALITIES IMPLICATIONS

- 6.1 There is no direct impact on inequalities arising from this report.

7 RESOURCE IMPLICATIONS

- 7.1 There are no additional resource implications arising from the content of this report.

8 BACKGROUND PAPERS

- 8.1 Reports to the IJB – 29 October 2015.

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DATE	12 November 2015