

SPECIAL MEETING OF PERTH AND KINROSS INTEGRATION JOINT BOARD

Members were previously advised of the proposal to hold a special meeting of the Perth and Kinross Integration Joint Board on Tuesday 31 March 2020 at 2.00pm to consider the setting of the budget for 2020/21 and setting the provisional budget for 2021/22 and 2022/23 as set out in the Integration Joint Board 3-Year Financial Recover Plan. Due to the restrictions in place as part of Coronavirus (COVID-19), and following discussions with the Chair, Vice-Chair, Chief Officer, Chief Finance Officer and Clerk, all voting members were invited in terms of Standing Order 4.4 to confirm by written response their agreement or otherwise on the recommendations contained within Report G/20/47 – Budget 2020/21, 2021/22 and 2022/23. Non-voting members were also invited to provide any written comments. Members were also asked to declare any interest in the usual manner in writing.

Voting Members:

Councillor Eric Drysdale, Perth and Kinross Council (Chair)
Councillor John Duff, Perth and Kinross Council
Councillor Xander McDade, Perth and Kinross Council
Councillor Callum Purves, Perth and Kinross Council
Bob Benson, Tayside NHS Board (Vice-Chair)
Peter Drury, Tayside NHS Board
Ronnie Erskine, Tayside NHS Board
Pat Kilpatrick, Tayside NHS Board

1. DECLARATIONS OF INTEREST

There were no Declarations of Interest made in terms of the Perth and Kinross Integration Joint Board Code of Conduct.

2. BUDGET 2020/21, 2021/22 & 2022/23

There was submitted a report by the Chief Financial Officer (G/20/47) recommending the setting of the budget for 2020/21 and setting the provisional budget for 2021/22 and 2022/23 as set out in the Integration Joint Board 3-Year Financial Recover Plan.

R Erskine queried whether all IJB members would be kept fully apprised of discussions and outcomes relating to the bridging finance request of £1.8m made to NHS Tayside and also sought some clarification on the 'Shifting the Balance' fund and how this could be accessed and utilised for. In response J Smith, Chief Financial Officer confirmed that she would continue to actively pursue discussions with NHS Tayside on both funding issues and provided assurance that Members would be kept fully informed on the progress.

R Erskine made reference to the current situation and the uncertain position around funding for Covid-19 and sought a commitment from officers that members will be updated separately as and when information becomes available preferably in advance of any necessary IJB decisions to be taken on the position as it evolves

with the Scottish Government in terms of accessing funding and any funding requests that we are likely to make. In response J Smith, Chief Financial Officer confirmed that both she and the Chief Officer were fully committed to providing members with a separate and timeously as possible update on Perth and Kinross Health and Social Care Partnership's Covid-19 Mobilisation Plan including the forecasted financial implications of the Plan and detailing the progress in securing funding from the Scottish Government.

R Erskine made reference to the undoubted impact the major incident relating to Covid-19 will have on the resources available and means used to fund health and social care in the future, specifically when the incident has passed, and expressed his view that looking three-years ahead would prove incredibly challenging and queried whether it would be possible for members to revisit the three-year recovery plan in conjunction with partners at a more appropriate time. In response J Smith confirmed that both she and the Chief Officer would fully approve this approach, stating that a full review of the assumptions underpinning the three-year financial recovery plan will be required to understand and account for the ongoing future impact of the Covid-19 Pandemic.

B Benson made reference to the £2.1m being the fair share of national uplift funding, and the additional non-recurring bridging funds of £1.8m and sought further reassurance that a formal confirmation of these vital reassurances are received from NHST as soon as possible. In response, J Smith confirmed that she will continue to actively pursue discussions with NHST on the requirement for short term bridging finance and committed to keeping members fully informed on any progress made.

B Benson made reference to the 2020/21 budget, specifically the issue of the outstanding reassurances provided from NHST around the £3m of recurring Shifting the Balance of Care Budget as yet unallocated and its prioritisation and sought some clarification on when these funds were likely to be confirmed by NHST. In response J Smith confirmed that she will continue to actively pursue discussions with NHST on this funding issue and committed to keeping members fully informed on any progress made.

B Benson made reference to the provisional budgets for 2021/22 and 2022/23 including the development of the Perth and Kinross IJB 3-Year Financial Recovery Plan to set indicative budgets. He noted that these budgets had already been the subject of much rigour and scrutiny. He would welcome the guidance of the Chief Officer and Chief Financial Officer regarding the timing of a further meeting be held at a suitable date in the future.

Councillor Duff, R Erskine, B Benson and P Drury all confirmed their willingness to formally approve the Budget recommendations as set out in Report G/20/47.

Councillor Purves stated that notwithstanding the significant amount of work carried out by the Budget Review Group to scrutinise the budget proposals supported by officers and other Board members to varying degrees, he remained uncomfortable with the way in which the decision was being taken by written submissions and, in particular, the lack of involvement of non-voting members of the Integration Joint Board in the debate and discussion.

He stated that whilst he appreciated the immense strains that senior officers were under at this time, it was his view that it is simply not acceptable to agree a budget in excess of £200 million by e-mail. He also highlighted his disagreement with the Clerk's interpretation of the Standing Orders and viewed that such an e-mail chain could not be deemed to constitute a member attending a meeting thus resulting in any decision being taken in this way would be a breach of Standing Orders.

He further commented that whilst he was reasonably content with the proposals outlined in the paper that had previously been discussed at meetings of the Budget Review Group, that given his concerns about the appropriateness of this decision, both in terms of general good governance and competence, then he would not be in a position to agree the budget in this way and asked that his dissent be recorded in the minute to any decision that is reached.

Councillor McDade expressed similar concerns to Councillor Purves, stating that it was his belief this would be weak governance to consider such an important matter by email and he would not be agreeing to support any budget under this process and asked that his dissent be recorded that this be viewed as poor governance that lacked public scrutiny be recorded in the minute. Councillor McDade stated that in his view a conference call should have taken place amongst all members to agree the proposals in the report. He also voiced concerns about the scheduling of budget review group meetings

Councillor Drysdale made reference to this being an unprecedented and totally unforeseen situation and confirmed that he had given much thought to the best way forward in all the circumstances and took into account advice from officers and the concerns expressed by board members.

In response to some of the concerns raised regarding the process, Councillor Drysdale acknowledged the views that have been expressed by several IJB members that the principles of good governance and open, transparent and democratic decision making which are always of fundamental importance must be observed particularly carefully at times of urgency and stress. He further advised that he had drawn a degree of comfort from the knowledge that the Budget Review Group had already carefully scrutinised officers' budget proposals over a period of months. He further stated that he was comfortable that the email exchanges between members had given all IJB voting members the opportunity to question officers and for all members to read the replies received and was satisfied that the proposed budget had received appropriate scrutiny whilst acknowledging that the process had unfortunately not been conducted in public nor engaged the non-voting members to the fullest extent possible due to the current Coronavirus restrictions.

Councillor Drysdale summed up by stating that he was clear that five voting members (six including himself) supported the approval of the budget outlined in email correspondence while 2 voting members took a contrary view and acknowledged their wish to have their dissent be noted at any decision to approve.

Councillor McDade requested that full versions of all emails sent as part of the discussions on the proposals in the report be published online. The Chair confirmed that the final decision on the proposals would be published online as soon as possible and that a draft, detailed minute including the comments that had been submitted would be publicly available in due course as part of the usual approval process.

Resolved

- (i) The Revenue Budget for 2020/21 and the indicative Revenue Budget for 2021/22 and 2022/23 as set out in the 3 Year Financial Recovery Plan, be approved.
- (ii) The further work being undertaken to determine the further redesign required to achieve recurring financial balance over the 3-year period, be noted.
- (iii) The Chief Officer be instructed to issue the necessary Directions to NHS Tayside and Perth & Kinross Council.
- (iv) It be noted that the proposed budget represents 'Business as usual'. However the COVID19 Contingency measures now required across PKHSCP Services will incur significant additional unplanned expenditure over and above the proposed budget and a funding is being sought via COVID19 Mobilisation Plans being submitted to the Scottish Government in line with national requirements.
- (v) That the budget be approved on an interim basis, actioned as appropriate, and published in accordance with legal requirements suitably caveated to its interim nature
- (vi) That an irrevocable commitment be given by the Chair that, as soon as practically possible after entering the Recovery phase of the Covid-19 pandemic and face to face meetings are once again permitted (these are material changes of circumstances), the budget be updated to take account of actual in year costs to that date, together with the awaited further input from NHS Tayside on its contributions levels going forward, and formally reviewed in public at a full meeting of the Integration Joint Board at the earliest opportunity.