

AGENDA ITEM NO 3 (c)

MINUTE of MEETING of the **ANGUS HEALTH AND SOCIAL CARE INTEGRATION JOINT BOARD AUDIT COMMITTEE** held in the Committee Room, Town and County Hall, Forfar, on Wednesday 28 June 2017 at 4.50pm.

Present: Members of Audit Committee

DAVID BARROWMAN, Service User
JIM FOULIS, Associate Nurse Director
ALISON ROGERS, Non Executive Board Member
Councillor LOIS SPEED, Angus Council
BARBARA TUCKER, Staff Representative

Advisory Officers

SANDY BERRY, Chief Finance Officer
VICKY IRONS, Chief Officer
DAVID THOMPSON, Principal Solicitor – Place Directorate, Angus Council

Also in Attendance

RACHEL BROWNE, Senior Audit Manager, Audit Scotland
TONY GASKIN, Chief Internal Auditor, Fife, Tayside & Forth Valley Audit and Management Services (FTF)

ALISON ROGERS, in the Chair

1. APPOINTMENT OF CHAIR

Alison Rogers intimated that she would be content to Chair the meeting of the Audit Committee for this meeting. She noted that it may be more appropriate and fairer that the Chair of the Audit Committee differed in representation from the Chair of the Integration Joint Board.

The Board agreed to seek views about future chairing arrangements over the next six weeks.

There being no further nominations at this meeting, Alison Rogers took the Chair.

2. WELCOME AND INTRODUCTIONS

Introductions took place and members were welcomed to the meeting.

3. APOLOGIES

An apology for absence was intimated on behalf of Peter Burke, Carers Representative.

4. DECLARATIONS OF INTEREST

There were no declarations of interest made.

5. MINUTE OF PREVIOUS MEETING

The minute of the previous meeting of 19 April 2017 was submitted and approved as a correct record.

6. INTERNAL AUDIT REVIEW OF FINANCIAL MANAGEMENT (ADULT SERVICES)

There was submitted Report No IJB 39/17 by the Chief Finance Officer presenting the outcomes of the Internal Audit review of Financial Management (Adult Services).

The Report noted that throughout the year, reference had been made to weaknesses in the provision of financial management support to the Integration Joint Board.

Attached as an Appendix to the Report was the Financial Management report compiled by Angus Integration Joint Board's (IJB) Internal Auditors and reflected their views of Angus IJB's Financial Management of Adult Services.

The overall view of Internal Audit was that for 2016/17 the Financial Management of Adult Services had been "inadequate" (grade D). An action plan was included in the Report with an associated series of management responses.

The Chief Finance Officer and the Chief Internal Auditor provided an overview and update. Having heard the concerns of members in relation to the audit opinion and findings, the Audit Committee agreed:-

- (i) to note the Internal Audit review of Financial Management;
- (ii) to share the Audit Committee's concerns regarding the outcomes of the Report with Angus Council;
- (iii) to approve the associated management response/action and to request an update on progress against actions at the Audit Committee meeting following the August Audit Committee meeting;
- (iv) to note the additional comments of the Chief Finance Officer; and
- (v) to note the approved overview of the overall Corporate Support arrangements.

7. 2016/17 INTERNAL AUDIT PLAN – PROGRESS REPORT

With reference to Article 9 of the minute of the previous meeting, there was submitted Report No IJB 40/17 by the Chief Finance Officer setting out progress towards delivery of the 2016/17 Internal Audit Plan.

Attached as Appendix 1 to the Report was the Angus Integration Joint Board's Internal Auditor's progress report on the 2016/17 Internal Audit Plan.

The Audit Committee agreed to note the provisional Internal Audit Progress Report.

8. REVIEW OF ROLE OF CHIEF FINANCE OFFICER

There was submitted Report No 41/17 by the Chief Finance Officer outlining the outcomes of the self-assessment of the role of the Chief Finance Officer within Angus Integration Joint Board against the principles set out in Chartered Institute of Public Finance and Accountancy (CIPFA's) "The Role of the Chief Finance Officer in Local Government", published in 2016.

The Report indicated that in 2016, CIPFA published a document "The Role of the Chief Finance Officer in Local Government". Angus Integration Joint Board was formally classified as a Local Authority body, therefore the guidance was applicable to Angus IJB. The document set out five principles that defined the core activities and behaviours of the Chief Finance Officer in Public Services organisations and the organisational arrangement needed to support them. The five principles were outlined in Section 2 of the Report.

The Audit Committee noted this was an annual assessment and therefore their expectation of in future being able to see the outcomes of annual reviews compared to the 2016/17 position.

Having heard from the Chief Officer and Chief Finance Officer, the Audit Committee agreed:-

- (i) to note the self-assessment of the role of the Chief Finance Officer in Angus Integration Joint Board;

- (ii) to note the main weaknesses arising from the review as outlined in Section 2.3 of the Report and to support the planned responses made by the Chief Finance Officer regarding the issues arising;
- (iii) to note the independent view of Angus Integration Joint Board's Internal Auditors regarding the review; and
- (iv) to request feedback in due course regarding the responses made at (ii) above.

9. 2016/17 ANNUAL INTERNAL AUDIT REPORT

There was submitted Report No 42/17 by the Chief Finance Officer presenting the Annual Internal Audit Report as produced by Angus Integration Joint Board's Internal Auditors.

Appendix 1 outlined the Angus Integration Joint Board's Internal Auditor's 2016/17 Annual Internal Audit Report. The Report was produced annually to provide the Integration Joint Board Audit Committee with an independent view of the overall adequacy and effectiveness of the framework of governance, risk management and control within the Integration Joint Board.

The main conclusions made by the Angus Integration Joint Board's Chief Internal Auditor were outlined in Section 2 of the Report.

There were a number of issues reported for consideration including progressing the further development of the Integration Joint Board's accountabilities and responsibilities in respect of all governance arrangements and reviewing the Integration Joint Board's receipt of assurances on clinical and care governance.

The Audit Committee agreed:-

- (i) to note the report setting out the evaluation in the internal control environment 2016/17 and to note the actions to be taken on the issues reported; and
- (ii) to approve the compilation of an action plan to respond to the issues raised in the Annual Internal Audit Report and that action plan being brought to the next meeting of the Audit Committee.

10. 2016/17 ANGUS INTEGRATION JOINT BOARD – GOVERNANCE STATEMENT

There was submitted Report No 43/17 by the Chief Finance Officer setting out the Integration Joint Board's draft Governance Statement for financial year 2016/17. If approved, the Governance Statement would then be formally included in the Integration Joint Board's 2016/17 Annual Accounts.

The Report indicated that on an annual basis the Integration Joint Board (IJB) required to include a Governance Statement within its Annual Accounts. The statement was intended to explain the IJB's governance arrangements and to report on the effectiveness of the IJB's system of internal control.

The IJB's Audit Committee required to consider and approve the draft Governance Statement and to confirm it was content for the Chair of the Audit Committee to write to Angus Council and NHS Tayside providing them with assurance regarding the adequacy and effectiveness of the governance arrangements within Angus IJB for 2016/17.

The Audit Committee agreed:-

- (i) to approve the Integration Joint Board's 2016/17 Governance Statement; and
- (ii) to authorise the Chair of the Integration Joint Board's Audit Committee to write to both Angus Council and NHS Tayside confirming the adequacy and effectiveness of the governance arrangements within Angus Integration Joint Board for 2016/17.

11. UNAUDITED ANNUAL ACCOUNTS

There was submitted Report No 44/17 by the Chief Finance Officer setting out the Integration Joint Board's unaudited annual accounts for financial year 2016/17. The report required to be considered by the Audit Committee and subsequently submitted to the Integration Joint Board's External Auditors for review and auditing.

The Report indicated that as a formally constituted body the Integration Joint Board was required to produce a set of formal Annual Accounts for the financial year ending 31 March 2017.

Attached as Appendix 1 to the Report was the Integration Joint Board's Unaudited Annual Accounts for 2016/17.

The Audit Committee agreed:-

- (i) to note the background regarding compilation of the 2016/17 Integration Joint Board's Unaudited Annual Accounts; and
- (ii) to confirm the submission of the Unaudited Annual Accounts to the Integration Joint Board's External Auditors.

12. DATE OF NEXT MEETING

The Audit Committee noted that the next meeting would take place on Wednesday 30 August 2017. Time and venue to be confirmed in due course.