

ANGUS IJB
INTERNAL AUDIT SERVICE



GOVERNANCE MAPPING

REPORT NO. AN06/18

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Tayside Audit Follow-Up
IJB Audit Committee
External Audit

Date: 12 November 2018

INTRODUCTION & SCOPE

1. Internal Audit has completed a Governance Mapping exercise on behalf of FTF as part of the agreement of shared services.
2. The 2017/18 annual internal audit plan included a review of the Integration Joint Board's (IJB's) capacity to implement its strategic priorities and effect service change, as well as the governance oversight of these processes. In May 2018 it was agreed with IJB senior management this would be replaced with a Governance Mapping exercise, which would assess the extent to which the IJB's structures support the delivery of strategic objectives.
3. The Angus Health and Social Care Partnership (AHSCP) sets out the vision for change and improvement in its strategic plan. The plan sets out four strategic priorities through which change and improvement would be delivered.
 - Priority 1: Improving Health, Wellbeing and Independence
 - Priority 2: Supporting care needs at Home
 - Priority 3: Developing integrated and enhanced Primary care and community responses
 - Priority 4: Improving Integrated care pathways for priorities in care.

Below the strategic plan the Angus Care Model and the Improvement and Change programme encompass the majority of plans to effect change to deliver these priorities.

4. The scope of the review is to:
 - Identify and map AHSCP's key committees and working groups;
 - Review their terms of reference and interdependencies;
 - Consider working arrangements for key committees and working groups,
 - Consider if the structure of these committees and groups best supports delivery of AHSCP's strategic objectives.
5. We issued a questionnaire to committee and working group Administrators and reviewed documents pertaining to groups for evidence of compliance with good practice. An internally generated risk and control matrix based on the scope of the audit was used to document the work performed.
6. The output is a report to the IJB Audit Committee and a summary of the outcomes to the Angus Council Scrutiny and Audit Committee.

RISKS

7. The following risks could prevent the achievement of the above objectives and were identified as within scope for this audit.

- Clinical, Care & Professional Governance - Current Risk Exposure – Yellow. Probability: Low x Risk Exposure: Significant
- Implementation of Strategic Planning Priorities - Current Risk Exposure - Green. Probability: Very Low x Risk Exposure: Significant
- Workforce Optimisation - Current Risk Exposure – Amber. Probability: High x Risk Exposure: Significant.

AUDIT OPINION AND FINDINGS

- The audit opinion is **Category C** – Adequate – A description of all audit opinion categories is given in the final section of this report.
- The following chart shows where the grade lies within the band:

A	B	C	D	E	F
		X			

Key Control Objective 1 – Identify and map Angus Health and Social Care Partnership’s key committees and working groups.

Findings

- We received a list of 32 AH&SCP board/committee/teams/forums/groups. From that list we selected a sample of ten, spread over all levels of the AH&SCP structure, from Board level down, covering as wide a range of functions as possible. The ten selected were;
 - IJB Board
 - Audit Committee
 - Executive Management Team
 - Clinical, Care & Professional Governance Forum
 - Finance Monitoring Group
 - Improvement & Change Board
 - Prescribing Management Group
 - South East Locality Improvement Group
 - Angus Integrated Drugs and Alcohol R3 Group
 - Learning Disability R3 Group.
- Appendix 1 shows all of the AH&SCP board/committee/teams/forums/groups and their reporting lines, with our sample of 10 highlighted.
- There is no guidance on setting up working groups for the AH&SCP staff to follow. Only the IJB Board, Strategic Planning group and Audit Committee are formal groups

required by statute the others are set up at the discretion of Officers to assist in the development and implementation of the AH&SCP.

13. It is recognised that the integrated nature of the AH&SCP and the merging of various organisation cultures requires a flexible and responsive approach to working methodologies. The 10 groups in our sample have a wide range of different purposes such as project management, governance, locality development and executive decision-making. This reflects the diverse nature and complexity of the Partnership's business, and means that a "one size fits all" approach to setting up & governing such groups is likely to have some limitations (e.g. a time-limited group is likely to require completely different arrangements from those which are on-going) therefore a degree of flexibility will be beneficial.
14. For the ten groups in our sample we received copies of their 2018 meeting calendars. The number of meetings to be held varies between monthly and 5 times in 2018. The dates of each meeting are detailed on the AH&SCP website for the IJB and Audit Committee. The next meeting dates and times for other groups are recorded on their current agenda's and 3 groups recorded all future dates.
15. The meeting calendars of the groups in the sample were compared to ensure that these are in alignment, i.e. that the meetings of specific groups/forums are held in advance of the meeting of the group they report to, to allow a logical flow of information. This was found to be satisfactory.

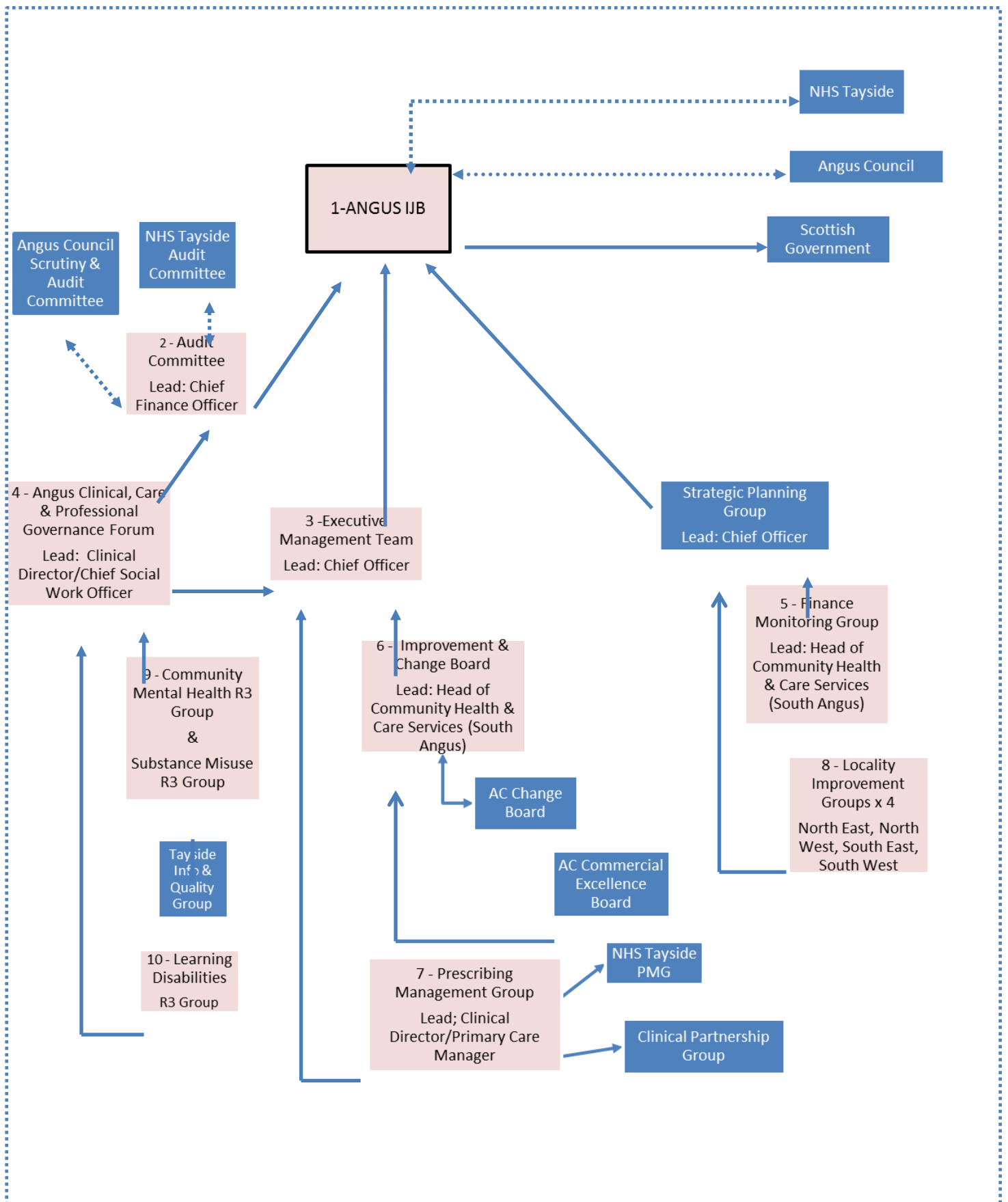
Key Control Objective 2 – Review their terms of reference and interdependencies.

Findings

16. Terms of Reference for groups/forums are used to direct meetings and ensure they are as productive and useful as possible. A Terms of Reference document should be agreed by the group/forum and reviewed annually. It could include the following headings; purpose and objectives, membership, decision-making (quorum required), meetings, delegating tasks and powers to sub groups, reporting, monitoring and review.
17. We found only five groups out of our sample of 10 held a Terms of Reference document, and four of these, including those for the IJB and Audit Committee, do not include all of the key headings which could be expected under good practice. The South East Locality Improvement Group has guidance supplied by Scottish Government specifically for their remit which includes the key headings detailed above and is currently being updated. Four groups informed us they did not have a Terms of Reference document.

18. From the information that was written in the terms of reference or supplied by group administrators it was noted that the purpose and role of each group supports the development and implementation of the AHSCP Strategic Plan.

19. We compiled a flowchart detailing the reporting line of each of our groups in the sample which highlighted that there are interdependencies and all report to the IJB, either directly or via another group. *See following flowchart.*



Angus HSCP Governance & Management Arrangements – groups in sample reviewed by Internal Audit are coloured pink, blue boxes are additional groups they report directly to.

Key Control Objective 3 – Consider working arrangements for key committees and working groups.

Findings

20. We confirmed that notes of meetings were documented and issued to the group's Members. The IJB and Audit Committee minutes are available to view on the AH&SCP's website. The format of the meeting notes varied, some were called minutes of meetings others action notes or action points.
21. It was noted that not all had a SMART action plan which detailed the time lines for actions to be completed by. The action plans that were held had different formats and there was no consistency between the groups reviewed. One group recorded the initials of the person assigned to an action at the right of each action note and we were informed the action was due to be completed by the following meeting.
22. However, we obtained evidence that the Improvement & Change Board projects use a project methodology which includes the use of headline reports for each meeting, containing clear actions. This process is much tighter than normal SMART action plans, and includes further governance tools such as risk assessment and risk management plans, benefits realisation tools and project initiation plans.
23. We checked that meeting papers are issued in time to allow Members to review the agenda and minutes/notes of the previous meetings. The majority of the documents were issued a week prior to the meeting by email or noted on the AH&SCP's website. There was one occasion where there was a delay and a satisfactory explanation was received i.e. due to a cancellation a meeting date had changed.
24. We questioned whether any of the groups in our sample prepare an annual workplan; in some instances it can be beneficial for the Board/groups/forums to see in advance a workplan for the groups which report to them, although it is recognised that an annual workplan may not be the best approach for every group/forum. Our findings showed that, of the sample of ten: -
 - 2 groups have a workplan
 - 1 group had a workplan in progress at the time of the audit
 - 1 group has an annual reporting schedule
 - 1 has a 3-year improvement plan
 - 1 group has an overall Programme timeline, and governs a range of projects each with their own plans & progress reports;
 - 3 groups have no form of workplan;
 - 1 group did not provide a response.
25. We also asked whether any of the groups in our sample prepare an annual report. Our findings were as follows: -
 - 1 group (EMT) does no annual report
 - 1 group was due to present its first annual report in August 2018

- 7 other groups report at least annually, some of them as part of the IJB Strategic Progress & Performance Report, while others report quarterly/6-monthly;
- 1 group did not provide a response.

Key Control Objective 4 – Consider if the structure of these committees and groups best supports delivery of AHSCP’s strategic objectives.

Findings

26. Each of the groups in our sample supported at least one of the strategic objectives of the AH&SCP which are:
- 1: Improving Health, Wellbeing and Independence
 - 2: Supporting Care Needs at Home
 - 3: Developing integrated and enhanced Primary Care and Community responses, and:
 - 4: Improving integrated care pathways for priorities in care
27. Our audit work found no significant problems with the current structure of the committees and groups examined, in terms of supporting delivery of AHSCP’s strategic objectives. A few, mainly minor, improvements have been recommended to enhance the efficiency and effectiveness of the working arrangements or key committees and working groups.

ACTION

28. An action plan has been agreed with management to address the identified weaknesses. A follow-up of implementation of the agreed actions will be undertaken in accordance with the audit reporting protocol.

ACKNOWLEDGEMENT

29. We would like to thank all members of staff for the help and co-operation received during the course of the audit.

Ref.	Finding	Audit Recommendation	Priority	Management Response / Action	Action by/Date
1	No guidance on setting up working groups. (Paragraph 12)	Guidance should be available to AH&SCP staff on the setting up of working groups.	3	The IJB will develop guidance on the setting up of all working groups within the IJB and make this available to AHSCP staff.	Improvement and Development Lead. December 2018
2	Not all groups had a Terms of Reference document. (Paragraph 14)	All AH&SCP Groups/forums should have a Terms of Reference. A template covering the key headings should be included in the guidance notes in recommendation 1, to ensure consistency across all groups.	3	The IJB will develop a Terms of Reference template covering the key headings and accompanying guidance. This will be included in the guidance notes in recommendation 1.	Improvement and Development Lead. December 2018
3	A SMART action plan is not produced for all groups after a meeting. (Paragraph 18)	SMART action plans should be completed after meetings. A template to be included in the guidance notes in recommendation 1.	2	The guidance referred to in recommendation 1 will include reference to the need for SMART action plans for all groups after the meeting.	Improvement and Development Lead. December 2018
4	Not all groups complete an annual workplan.	The guidance referred to in recommendation 1 above should require the Committee to which these groups report to consider whether they should prepare an annual workplan for approval by the parent Committee.	3	The guidance referred to in recommendation 1 will include the need for annual work plans to be considered for submission to parent Committees where an existing system to achieve this is not already in place.	Improvement and Development Lead. December 2018

Ref.	Finding	Audit Recommendation	Priority	Management Response / Action	Action by/Date
5	Not all groups complete an annual report.	The guidance referred to in recommendation 1 above should require the Committee to which these groups report to consider whether they should prepare an annual report for presentation to the parent Committee, providing assurance that the group has fulfilled its remit and noting any actions required.	3	The guidance referred to in recommendation 1 will include reference to the consideration of annual reports being submitted to parent Committees, providing assurance that the group remit has been fulfilled.	Improvement and Development Lead. December 2018

DEFINITION OF ASSURANCE CATEGORIES AND RECOMMENDATION PRIORITIES

Categories of Assurance:

A	Good	There is an adequate and effective system of risk management, control and governance to address risks to the achievement of objectives.
B	Broadly Satisfactory	There is an adequate and effective system of risk management, control and governance to address risks to the achievement of objectives, although minor weaknesses are present.
C	Adequate	Business objectives are likely to be achieved. However, improvements are required to enhance the adequacy/ effectiveness of risk management, control and governance.
D	Inadequate	There is increased risk that objectives may not be achieved. Improvements are required to enhance the adequacy and/or effectiveness of risk management, control and governance.
E	Unsatisfactory	There is considerable risk that the system will fail to meet its objectives. Significant improvements are required to improve the adequacy and effectiveness of risk management, control and governance and to place reliance on the system for corporate governance assurance.
F	Unacceptable	The system has failed or there is a real and substantial risk that the system will fail to meet its objectives. Immediate action is required to improve the adequacy and effectiveness of risk management, control and governance.

The priorities relating to Internal Audit recommendations are defined as follows:

Priority 1 recommendations relate to critical issues, which will feature in our evaluation of the Governance Statement. These are significant matters relating to factors critical to the success of the organisation. The weakness may also give rise to material loss or error or seriously impact on the reputation of the organisation and require urgent attention by a Director.

Priority 2 recommendations relate to important issues that require the attention of senior management and may also give rise to material financial loss or error.

Priority 1 and 2 recommendations are highlighted to the Audit Committee and included in the main body of the report within the Audit Opinion and Findings

Priority 3 recommendations are usually matters that can be corrected through line management action or improvements to the efficiency and effectiveness of controls.

Priority 4 recommendations are recommendations that improve the efficiency and effectiveness of controls operated mainly at supervisory level. The weaknesses highlighted do not affect the ability of the controls to meet their objectives in any significant way.

Angus HSCP Governance & Management Arrangements

Appendix 1

Groups in audit sample coloured pink.

