

AGENDA ITEM NO 3 (a)

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 24 April 2019 at 12 noon.

Present: Members of Audit Committee

Councillor JULIE BELL, Angus Council
PETER BURKE, Carers Representative
JIM FOULIS, Associate Nurse Director
ANDREW JACK, Service User Representative

Advisory Officers

SANDY BERRY, Chief Finance Officer
VICKY IRONS, Chief Officer
GAIL SMITH, Head of Community Health and Care Services - North
WENDY SUTHERLAND, Team Leader – Legal Team 1, Angus Council

Also in Attendance

KEVIN LUMSDEN, Manager, Finance – Support Services Team
BILL TROUP, Head of Integrated Mental Health Services
JUDITH TRIEBS, Principal Auditor – Internal Audit, NHS Fife
MARTIN NOLAN, Trainee Auditor, Audit Scotland

Councillor Julie Bell, in the Chair

1. APOLOGIES

The Committee noted there were no apologies intimated.

The Chair on behalf of the Committee, welcomed Andrew Jack, Service User Representative and Martin Nolan, Trainee Auditor, Audit Scotland to the meeting. She also highlighted that Jim Foulis, Associate Nurse Director, was due to retire from NHS Tayside in May 2019 and expressed thanks to Jim for his valuable contributions to the Committee.

Introductions took place.

The Chief Finance Officer intimated that either Kevin Lumsden, Manager, Finance or Steven Mill, Service Leader, Finance would be in attendance at the Audit Committee meetings during April to August 2019 to provide additional insight regarding matters associated with the IJB's Annual Accounts.

2. DECLARATIONS OF INTEREST

There were no declarations of interest made.

At this stage of the meeting, the Chief Finance Officer advised that the Head of Integrated Mental Health Services had a prior commitment and requested the agenda order to be changed.

The Audit Committee thereafter agreed to change the Order of Business which would now be considered in the following order.

3. INTERNAL AUDIT – WORKFORCE OPTIMISATION

With reference to Article 11 of the minute of meeting of 12 December 2019, there was submitted Report No IJB 12 /19 by the Chief Finance Officer updating members on the outcomes of the Internal Audit report regarding the review of Workforce Optimisation.

The Report indicated that as part of the IJB's overall Internal Audit Plan for 2018/19 it was agreed to undertake an Internal Audit of the IJB's Workforce Planning. The audit report had graded the IJB as "C" (Adequate) reflecting "There was a workforce plan in place which aligned with existing partner strategies and other IJB plans, however, improvements to monitoring and implementation of the plan were required to enhance the adequacy/effectiveness of risk management, control and governance".

Most Internal Audits contained a series of Internal Audit recommendations and related management responses, which were outlined in the Appendix to the Report. It was recommended that the management responses were agreed to with an update regarding progress with these being brought back to future Audit Committee meetings. Some general points to note regarding the outcomes of the "Workforce Optimisation" Report were outlined in Section 2.3 of the Report.

The Head of Integrated Mental Health Services provided an informative update and highlighted the key areas of the Report. He accepted the action plan points outlined in the Report and advised that that work was being undertaken at different levels to progress these actions.

Members' questions were answered in terms of action points 5 and 7.

The Associate Nurse Director also raised a point in terms of the Scottish Government's expectation of the Plan and also how well the Plan aligned to the guidance issued.

Having heard from the Chief Finance Officer and the Principal Auditor, the Integration Joint Board Audit Committee agreed:-

- (i) to note the draft Internal Audit report regarding Workforce Optimisation; and
- (ii) to note the planned management responses that had already been developed.

At this point, the Head of Integrated Mental Health Services left the meeting.

4. MINUTES INCLUDING ACTION LOG

(a) Previous Meeting

The minute of the previous meeting of 12 December 2018 was submitted and approved as a correct record.

(b) Audit Committee Action Points

The action points of this Committee of 12 December 2018 was submitted and noted.

With reference to Item 7 of the meeting of 12 December 2019, the Chair intimated that a briefing by the Chair of the IJB to elected members of Angus Council was due to take place next week. The Chief Officer intimated that a joint development session to the IJB's partner agencies was still under consideration.

5. 2017/18 AND 2018/19 INTERNAL AUDIT PLAN – PROGRESS REPORT

With reference to Article 8 of the minute of meeting of this Committee of 12 December 2018, there was submitted Report No IJB 10/19 by the Chief Finance Officer setting out the progress

towards the completion of the 2017/18 Internal Audit Plan and progress towards the delivery of the 2018/19 Internal Audit Plan.

Appendix 1 to the Report attached the Angus IJB's Internal Auditor's progress report on both the 2017/18 Internal Audit Plan and the 2018/19 Internal Audit Plan. An equivalent report would be produced routinely for all Audit Committee meetings describing progress with Internal Audit Plans.

The Principal Auditor provided an overview of the progress made in terms of the Internal Audits for 2017/18 and confirmed that in terms of the AN04/18 Risk Management Audit that following the Chief Internal Auditor's sickness absence, the work had now been completed, albeit that task had been undertaken by ongoing work. The Principal Auditor also confirmed that the 2019/20 Plan would be submitted to the June Audit Committee.

The Chair highlighted that the plan was ambitious and queried whether this could be achieved. The Principal Auditor indicated that this point had also been raised at NHS Audit Committee and confirmed that there was a requirement to risk assess delivery.

The Integration Joint Board Audit Committee agreed to note the provisional Internal Audit Progress Report, as outlined in the Appendix 1 to the Report.

6. INTERNAL AUDIT REPORTS – FOLLOW UP ACTIONS

With reference to Article 9 of the minute of meeting of this Committee of 12 December 2018, there was submitted Report No IJB 11 by the Chief Finance Officer updating members regarding the Integration Joint Board's (IJB) progress with meeting the recommendations of Internal Audit reports.

The Report indicated that on a regular basis the Integration Joint Board's Audit Committee received Internal Audit final reports setting out the findings of agreed Internal Audits. Many of these reports had recommendations for improvements and that final versions of Reports would have agreed "management responses" to those recommendations of the Internal Auditors.

The latest Internal Audit Follow Up summary was attached as an Appendix to the Report. The list contained "recommendations" from the 2016/17 and 2017/18 Audits (where they had not already been superseded) and set out the agreed management responses, lead officers, due date and information about status to date with reference to the "due date" and provided brief commentary on the current status. Status updates were provided by Lead Officers and collated in the period prior to an Audit Committee. Actions that were "complete" would be reported for two successive Audit Committees to provide context.

The Report would be provided on a routine basis going forward and would augment other reports that document progress with overall governance issues. Updates in terms of AN06/17 – Performance Management, AN07/18 – Financial Management and AN06/18 – Governance Mapping were outlined in the Report.

The Chief Finance Officer provided a brief overview of the Report.

Having heard from some members and also from the Head of Community Health and Care Services – North who requested that the status description wording of "overdue" and "ongoing" be reviewed. In terms of AN05/18 Clinical, Care and Professional Governance, she made reference to an Assurance Framework 2018/19 for Clinical Quality Forum paper and highlighted that progress had been discussed at the Angus Clinical Care and Professional Governance Committee on 17 April 2019.

The Chief Finance Officer agreed to review the status descriptions outlined in the Report.

The Integration Joint Board Audit Committee agreed to note the Report and the progress made to date in terms of delivering the planned outcomes.

7. REVIEW OF THE ROLE OF CHIEF FINANCE OFFICER 2018/19

With reference to Article 11 of the minute of meeting of this Committee of 27 June 2018, there was submitted Report No IJB 13/19 by the Chief Finance Officer briefing members regarding the outcomes of the 2018/19 self-assessment of the role of the Chief Finance Officer within Angus IJB against the principles set out in CIPFA's "The Role of the Chief Finance Officer in Local Government".

The Report indicated that, in 2016, the Chartered Institute of Public Finance and Accountancy (CIPFA) had published a document 'The Role of Chief Finance Officer in Local Government'.

The five principles that defined the core activities and behaviours of the Chief Finance Officer in Public Services organisation and the organisational arrangement required to support the Chief Finance Officer were outlined in Section 2 of the Report.

In 2016/17, a detailed self-assessment, (referred to in Report IJB 41/17) was undertaken. During 2017/18, a high level review was undertaken (Report IJB 54/18 refers). It was previously noted that more detailed self-assessments would be undertaken bi-annually. The 2017/18 self-assessment against the principles, noted a number of weaknesses that had been evident since the 2016/17 review.

The outcome of the current self-assessment was included in Appendix 1 to the Report with the key main points outlined in Section 2.2 of the Report.

Progress had been made with a number of issues. However, issues relating to the provision of finance systems, support and staffing remained outwith the direct control of the Integration Joint Board Chief Finance Officer. It was noted that this was an issue that was prevalent across Scotland and was one that was under consideration following recent national reviews of the progress of Integration via the Ministerial Strategic Group for Health and Social Care.

The Chief Finance Officer provided an overview of the Report.

The Chair highlighted that in terms of Principle 2 point (iv) given the binary choices, she considered that the response of "no" should be reviewed. She also commended the work of the Chief Finance Officer given the current difficult and challenging financial environment.

The Chief Finance Officer indicated that he would review the response in terms of Principle 2 point (iv).

The Finance Manager – Support Services Team also confirmed that his team was now back to four members. The Chair thereafter invited members of the Support Service team to attend the Audit Committee meetings to allow them to observe the progress of their Reports.

Following discussion and having heard from the Chair, the Integration Joint Board Audit Committee agreed:-

- (i) to note the main points from the 2018/19 self-assessment of the role of the Chief Finance Officer in Angus Integration Joint Board;
- (ii) to note that the Integration Joint Board was generally compliant with the principles set out in the Review;
- (iii) to note that a small number of residual issues were being progressed through other existing channels; and
- (iv) to note the independent review of the self- assessment undertaken by the Integration Joint Board's Internal Auditors.

8. CIPFA – SELF-ASSESSMENT OF GOOD PRACTICE FOR AUDIT COMMITTEES

There was submitted Report No 14/19 by the Chief Finance Officer briefing members regarding the status of the output of a self- assessment of the Integration Joint Board's Audit Committee linked to CIPFA's "Audit Committees: Practical Guidance for Local Authorities and Police" (2018).

The Report indicated that in October 2018, the Audit Committee's Development Session considered documentation associated with a recent CIPFA publication regarding Audit Committees. That Report included 3 assessments to assist an organisation or Audit Committee to make judgements about an Audit Committee's skills and performance.

The three assessments were:-

1. "Audit Committee Members – Knowledge and Skills Framework";
2. "Self-Assessment of Good Practice";
3. "Evaluating the Effectiveness of the Audit Committee".

During the October 2018 Audit Committee Development Session it was acknowledged that due to capacity constraints and overlaps with other assessments, it was agreed that assessments (1) and (3) would be considered in more detail at the 2019 Audit Committee Development Session.

The Self-Assessment of Good Practice assessment was initially compiled after a limited consultation, by the Chief Finance Officer and was attached as Appendix 1 to the Report. The assessment was also shared with the Chair and Vice Chair of the Integration Joint Board with the intention of refining the group's overall assessment of its performance.

The Self-Assessment of Good Practice highlighted some main areas for improvement, as outlined in Section 2.2 of the Report, which could be actioned based on the outcomes of the self-assessment. The Chair suggested a group self-assessment for future years, similar to the Angus Council Scrutiny and Audit committee approach.

The Chief Finance Officer referred to Section 2.2 of the Report, in particular points 1 and 3. He indicated that the October development session would cover a number of these points. There was a query raised in regards to the extent of the terms of reference. In response, the Chief Finance Officer indicated that it was difficult to address given the issues with capacity.

There was a query raised regarding corporate liability. The Chief Finance Officer referred to the terms of reference originally agreed in 2016 and also to the separate CNORRIS arrangement and indicated that he would further review the position and revert back in due course.

The Integration Joint Board Audit Committee agreed:-

- (i) to note and endorse the completion of the draft CIPFA "Self-Assessment of Good Practice" for Audit Committees;
- (ii) to note the main areas recommended for improvement including reviewing the Audit Committee's Terms of Reference and constitution; and
- (iii) to note that other aspects of assessment as described in CIPFA's "Audit Committee: Practical Guidance for Local Authorities and Police" would be considered at the Integration Joint Board's Audit Committee Development Session in 2019.

9. EXTERNAL REPORTS

With reference to Article 7 of the minute of meeting of this Committee of 12 December 2018, there was submitted Report No IJB 15/19 by the Chief Finance Officer updating members regarding external, often national, reports that were of interest to the Audit Committee.

The Report indicated that on a regular basis, reports were published by external bodies that were relevant and useful to Angus IJB. As part of the 2016/17 External Audit process, Audit Scotland particularly recommended that Angus IJB consider the relevant Audit Scotland reports on a regular basis. The principle associated with Audit Scotland reports should be extended to other relevant reports.

The Report highlighted reports of relevance, but also noted specific issues or potential actions that could emanate from these reports. The list of reports covered the period from November 2018 to February 2019. The Reports listed were:- Health and Social Care Integration – Update on Progress; Local Government Benchmarking Framework – National Benchmarking Overview Report 2017/18; Ministerial Strategic Group for Health and Community Care – Review of Progress with Integration of Health and Social Care; and Local Government in Scotland – Challenges and Performance in 2019.

The Integration Joint Board (IJB) were currently undertaking a self-assessment based on two of the Reports, the Audit Scotland – Health and Social Care Integration – Update on Progress and the Ministerial Strategic Group for Health and Community Care – Review of Progress with Integration of Health and Social Care. Members of the IJB had been included in the self-assessment and the output of the process would be shared with the Audit Committee in June 2019.

Having heard from the Chief Officer, the Integration Joint Board Audit Committee noted the publication of the Reports, as outlined in Section 2.2 of the Report.

10. AUDIT COMMITTEE – ANNUAL WORK PLAN 2019/20

There was submitted Report No IJB 16/19 by the Chief Finance Officer updating members in terms of the Audit Committee's Annual Work Plan for 2019/20.

The Report indicated that there was a pattern of activity within the Audit Committee reflecting the agreed Terms of Reference for the Committee. Appendix 1 to the Report summarised the Audit Committee's Annual Work Plan and acted as a guide to future business.

The Integration Joint Board Audit Committee agreed to the Audit Committee Annual Work plan for 2019/20.

11. ANNUAL ASSURANCE REPORT – CLINICAL, CARE AND PROFESSIONAL GOVERNANCE FORUM

There was submitted Report No IJB 17/19 by the Chief Finance Officer providing members with the Annual Assurance Report – Clinical, Care and Professional Governance Forum.

The Report indicated that the Internal Audit Report AN05/18 "Clinical Care and Professional Governance" noted that the local Clinical, Care and Professional Governance Forum submitted an annual report to either the Audit Committee or Integration Joint Board. The 2017/18 Report was compiled however for a variety of reasons, this had not been shared timeously with the December IJB Audit Committee. The 2018/19 Report was now available and attached as Appendix 1 to the Report.

Discussion followed and a number of members commended the work of the forum and also those officers involved in the preparation of the Report.

The Chief Officer requested permission to share the Report with both Chief Executive Officers and at a future meeting of the IJB.

The Chair also requested that a report on the recent Breast Cancer Investigation be provided to a future meeting of the IJB.

The Integration Joint Board Audit Committee agreed:-

- (i) to note the Annual Assurance Report from the Clinical, Care and Professional Governance Forum;
- (ii) that the Chief Officer would share the Report with both Chief Executive Officers and at a future meeting of the IJB;
- (iii) to request a copy of the Report on the recent Breast Cancer Investigation be provided to a future meeting of the Integration Joint Board Audit Committee.

12. DATE OF NEXT MEETING

It was noted that the next meeting of the Angus Health and Social Care Integration Joint Board Audit Committee would be held on Wednesday 26 June 2019 at 11am and not the scheduled time of 12 noon in the Committee Room, Town and County Hall, Forfar.