AGENDA ITEM NO. 9 REPORT NO. IJB 31/20



# ANGUS HEALTH AND SOCIAL CARE

## INTEGRATION JOINT BOARD AUDIT COMMITTEE – 24 JUNE 2020

### **GOVERNANCE ACTIONS PLAN**

#### **REPORT BY ALEXANDER BERRY, CHIEF FINANCE OFFICER**

#### ABSTRACT

This report provides a "Governance Actions Plan" for ongoing review by the Audit Committee. The source of "actions" includes the 2018/19 Annual Internal Audit Report and the IJB's Governance Statement. In future it may also reflect issues emerging from External Audits or other sources.

#### 1. **RECOMMENDATIONS**

It is recommended that the Integration Joint Board Audit Committee:-

- (i) Note the attached Governance Actions Plan;
- (ii) Request that an update regarding the Ministerial Steering Group action plan be submitted to the August IJB meeting; and
- (iii) Request that Governance Action Plan updates be submitted to all future meetings of the Angus IJB Audit Committee until agreed otherwise.

### 2. BACKGROUND

2.1 Since the inception of the IJB, the IJB has sought to address a series of governance issues. These are flagged up through a variety of sources including, primarily, the Annual Internal Audit report, the IJB's own Governance Statement and External Audits reports. At times issues can overlap or do evolve over time. As clearly described in the IJB's own Governance Statement (2018/19 and 2019/20 (draft)) a number of issues that still need resolved have been outstanding for some time.

In late 2018/19, the Ministerial Strategic Groups' (MSG) review of Integration also resulted in the development of an action plan to address shortcomings – many of these overlap with previous recommendations from, for example, Internal Audit. The MSG action plan was shared with the main IJB Board in August 2019. The December Audit Committee recommended that an update on progress be presented to the February 2020 IJB Meeting. For a variety of reasons this did not happen, although subsequently an update was presented to the IJB's Strategic Planning Group in March 202. While more recent progress with MSG actions will have been affected by COVID-19 issues, it is still recommended that an update re MSG actions is provided to the August IJB Board. This will allow the IJB to be more closely sighted on progress and to more thoroughly prepare for future iterations of the MSG evaluation.

Actions listed in appendix 1 refer back to the 2018/19 Annual Internal Audit Report but a number of issues are also are referenced in the IJB's Governance Statement (2018/19) or have been referred to in previous Internal Audit reports.

This action plan will be shared at future IJB Audit Committee's and progress to deliver actions can therefore continue to be tracked by the Audit committee. The Annual Internal Audit report noted "It is vital that the Audit Committee regularly monitors progress in implementing the MSG report as well as previously agreed governance actions". This report is intended to facilitate that. However after previous discussions, it was also agreed to highlight significant Governance issues to the main IJB Board. This was undertaken in February 2020. At the end of 2019/20, the IJB's Internal Auditors have reiterated again the importance of the IJB understanding the outstanding governance issues and the importance of ensuring progress is made towards resolving these issues.

2.2 The status actions is described using the same indicators as are used in the IJB's separate "Internal Audit Report – Follow Up Actions" reports regularly provided to the IJB and will be as follows:-

Status Category	Explanation of Status				
TBC	Still "To be confirmed" - occasionally				
	used where no information is available or				
	has been made available.				
Complete	Action complete.				
Complete (Ongoing)	Action complete, but with an ongoing				
	requirement.				
Not Yet Started	Applies to actions not overdue.				
Limited Progress	Applies to actions not overdue.				
Good Progress	Applies to actions not overdue.				
Overdue (*Not Yet Started / Limited	Overdue actions with detail re progress.				
Progress / Good Progress)					
Superceded	Action superceded or no longer relevant.				
	Commentary will provide clarity.				

Actions that are "complete" will be reported for 2 successive Audit Committees to provide context. Some actions may eventually by superceded by other circumstances, recommendations or actions. Note that in all instances, the commentary in the appendix may provide further information

- 2.3 It is clear from the appendix that many actions still need to be initiated or progressed or concluded to develop the IJB's overall governance arrangements. As has been noted before, a number of issues included in this report are particularly complex and cannot be solved by the IJB in isolation. However progress will need to be demonstrated to the Audit Committee and, for example, Internal Audit, over the coming year with these issues.
- 2.4 The IJB's Audit Committee should be aware that shortcomings in corporate support can undermine the IJB's ability to progress some governance issues at the required pace.

# 3. CONCLUSIONS

The IJB should note the attached IJB Governance Action Plan and request that updated versions of this are submitted to future Audit Committees.

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List of Appendices:	Appendix 1: Angus IJB Governance Actions Plan

Source		Board: Governance Actions		Management Response / Action			Status at Audit Committees Dec.19	Jun-20	Appendix 1 Status - Comment
					Action by	Due Date			
2018/19 Annual Internal Audit Report	1(a)	Monitor MSG action plan.	2	See separate report to IJB.	Chief Officer	Aug-19	Complete	Still Outstanding	Previous intention to update in IJB in February 2020 not completed.
2018/19 Annual Internal Audit Report and IJB's Governance Statement)	1(c)	Clarification of overall Governance and Accountability arrangements.	N/A	CO/CFO to develop a statement regarding this to clarify arrangements beyond original Integration Scheme.	Chief Officer / Chief Finance Officer	Dec-19	Limited Progress	Limited Progress	Statement to reflect outcomes of MSG action Plan. Discussions with IJB Programme Manager and Chief Internal Auditor did commence, but limited progress.
2018/19 Annual Internal Audit Report and IJB's Governance Statement)	1(d)	Corporate and other Support arrangements to address overall IJB capacity.	N/A	Plan to be developed.	Chief Officer	Dec-19	Not Started Yet	Not Started Yet	To be considered as part of overall response to Audit Scotland and MSG reports.
2018/19 Annual Internal Audit Report, IJB's Governance Statement) and IA report AN06/17	1(e)	Large Hospital Set Aside	N/A	Plan to be developed. CO to initiate further dialogue with NHS Tayside.	Chief Officer / Chief Finance Officer	Dec-19	Limited Progress	Limited Progress	To be developed in conjunction with NHS Tayside.
2018/19 Annual Internal Audit Report	1(f)	Induction and Development for Board members.	N/A	Induction and Development process for Board and Audit Committee members to be refined and documented.	Chief Officer - Integration Improvement Manager	Dec-19	Limited Progress	Limited Progress	Initial ideas under consideration.
2018/19 Annual Internal Audit Report, IJB's Governance Statement) and IA report AN06/17, AN05/18	1(g)	Hosted Services arrangement to include risk management , performance management and financial monitoring.	N/A	IJB intends to develop a consolidated information set regarding locally hosted services covering Finance, Performance and Risks.	Chief Finance Officer	Dec-19	Limited Progress	Limited Progress	Links to previous Internal Audit reports regarding Performance Management for Hoste Services.
2018/19 Annual Internal Audit Report	2	The HSCI principles should be taken into account when taking forward actions arising from the MSG report.	2	The IJB will take into account HSCI principles when taking forward MSG related actions with Partners.	Chief Officer	Dec-19	Limited Progress	Limited Progress	Implementation of Action Plan still to be reporte to IJB.
2018/19 Annual Internal Audit Report		Any changes arising from this process should be incorporated into the next update of Standing Orders, Scheme of Delegation and Standing Financial Instructions.	2	The IJB acknowledges that reviews of Standing Orders, Schemes of Delegation and SFIs may subsequently be required and will review these during 2019.	Chief Officer	Dec-19	Good Progress	Complete for now.	Updated Standing Orders were approved in February 2020. These may need to be revisited if governance and accountability arrangements further clarified. Scheme of Delegation partly dependent on similar clarifications.
2018/19 Annual Internal Audit Report	3	We would recommend that this approach is adopted generally where performance falls below agreed parameters.	2	The IJB acknowledges this could have been considered for issues such as hospital re- admission and falls in 2018/19. In future Performance reporting, the IJB will seek to be clearer about areas requiring follow-up reporting in future.	Head of Service (North)	Dec-19	Complete	Complete	This recommendation is now adopted with a follow up Falls report provided to the October IJB meeting. Similar follow up reports on performance issues will be provided to the IJB Board.
2018/19 Annual Internal Audit Report	4	Consideration should be given to updating the committee report template to highlight any areas where a decision will require specific inclusion in directions.	2	The IJB is aware of impending Scottish Government guidance regarding the use of Directions and will amend its Board reporting to reflect revised guidance.	Chief Officer	Oct-19	Limited Progress	Complete	Final Scottish Government guidance now issue and reported to June 2020 IJB. With agreemer to highlight Direction requirements in future IJE reports.
2018/19 Annual Internal Audit Report	5	An exercise may be required to ensure that business continuity plans cover all services delegated to the IJB and reflect the new integrated structures.	3	The IJB will review its business continuity plans through the Clinical Care and Professional Governance Forum.	Associate Medical Director	Dec-19	Limited Progress	Limited Progress	Mapping exercise to be proposed which will map current service Business Continuity Plans and those of Angus Council and NHS Tayside, then reported through CCPG. Capacity to undertake this has still to be agreed.
2018/19 Annual Internal Audit Report	7 (See B3(i) below)	The reasons for this variation from latest projections to final year-end out-turn should be understood and appropriate remedial actions taken to reduce likelihood of such movement in future and for this to be reported to the Audit Committee.	2	The reasons for this variation from latest projections to final year-end out-turn should be understood and appropriate remedial actions taken to reduce likelihood of such movement in future and for this to be reported to the Audit Committee.	Chief Finance Officer	Aug-19	Limited Progress	Good progress	Of the 3 areas of late variation, two areas are now well understood. The IJB awaits feedback from Angus Council regarding income reportin issues.
2018/19 Annual Internal Audit Report	A1(ix)*	Improvement and Change Programme updates not provided to IJB regularly.		The IJB will reflect on this issue and clarify to a future IJB Board.	Head of Service (South)	Oct-19	Complete	Complete	Reports to December 2019 IJB meeting clarify Improvement and Change Programme reporting.
2018/19 Annual Internal Audit Report	A2(v)*	The IJB's Risk Management Strategy will require revision once new arrangement have been agreed across Tayside .		The IJB will monitor this situation.	Head of Service (North)	Dec-19	Limited Progress	Limited Progress	While the IJB's Risk Strategy is not yet updated, the IJB's Internal Auditors have just completed an Internal of Risk Management.
2018/19 Annual Internal Audit Report	A2 (vi)*	The Audit Committees Standing Orders should be reviewed.		Further reviews will take place once Finance capacity allows for this.	Chief Finance Officer	Dec-19	Not Started Yet	Complete	Approved February 2020
2018/19 Annual Internal Audit Report	A2(ix)*	An implementation plan to support the delivery of the Strategic Plan is to be developed.		The IJB will develop this through the Strategic Planning Group.	Head of Service (South)	Dec-19	_	Limited Progress	Plans still developing for Improvemetn and Change Board and Angus Care Model, but more development required.
2018/19 Annual Internal Audit Report	B3(i)*	The reasons for late changes to 2018/19 year end projections to be understood and remedial action taken to reduce likelihood of similar movement in future.		All issues to be followed up by Chief Finance Officer and reported back to IJB or IJB Audit Committee.	Chief Finance Officer	Aug-19	Limited Progress		Of the 3 areas of late variation, two areas are now well understood. The IJB awaits feedback from Angus Council regarding income reportin issues. (In future updates this point will be reported under #7 above)
		Prescribing		1	CFO/ NHS Tayside Finance	0	Limited Progress		Complete
		Partnership Funds Adult Services Income		-	CFO CFO/ Angus Council Finance	Aug-19 Aug-19	Complete Limited Progress	Complete limited Progress	Complete Angus Council have been contacted - response awaited.