



ANGUS HEALTH AND SOCIAL CARE
INTEGRATION JOINT BOARD AUDIT COMMITTEE – 26 AUGUST 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 would also reflect issues emerging from the 2019/20 Internal and External Audit reports or other sources.

1. RECOMMENDATIONS

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

- (i) Note the attached Governance Actions Plan; and
- (ii) 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 Audit reports. At times issues can overlap or do evolve over time. As described in the IJB’s Governance Statement a number of unresolved issues have been outstanding for some time.

Further governance type issues were described in the action plan associated with the 2018/19 the Ministerial Strategic Groups’ (MSG) review of Integration. While more recent progress with MSG actions will have been effected by COVID-19 issues, an update is provided separately to the August IJB meeting.

Actions listed in appendix 1 refer back to the 2018/19 Annual Internal Audit Report but a number of issues are also referenced in the IJB’s Governance Statement (2018/19) or have been referred to in previous Internal Audit reports. In due course these actions will all be updated to reflect final 2019/20 equivalent documents.

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. 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 Progress / Good Progress) | Overdue actions with detail re progress. |
| Superseded | Action superseded 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 be superseded 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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DATE: August 2020

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

| Angus Integration Joint Board: Governance Actions Plan | | | | | | | | Appendix 1 | | | |
|--|--|------------------|---|-----------------|--|---|----------|----------------------------|-------------------|-------------------------|--|
| Item | Source | Source Reference | Comment / Recommendation | Source Priority | Management Response / Action | Action by | Due Date | Status at Audit Committees | | | Status - Comment |
| | | | | | | | | Dec-19 | Jun-20 | Aug-20 | |
| 1 | 2018/19 Annual Internal Audit Report | 1(a) | Monitor MSG action plan. | 2 | Via separate report to IJB. | Chief Officer | Aug-19 | Complete (Initial Update) | Still Outstanding | Overdue (Good Progress) | Previous intention to update in IJB in February 2020 not completed. Report to August 2020 IJB. |
| 2 | 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 | Limited Progress | Statement to reflect outcomes of MSG action Plan. Discussions with IJB Programme Manager and Chief Internal Auditor did commence, but limited progress. |
| 3 | 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 | Not Started Yet | To be considered as part of overall response to Audit Scotland and MSG reports. |
| 4 | 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 | Limited Progress | To be developed in conjunction with NHS Tayside. |
| 5 | 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 | Superseded | This issue is covered in the MSG action plan (Action ACT0126) and will be reported via that route in future. |
| 6 | 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 | Limited Progress | Links to previous Internal Audit reports regarding Performance Management for Hosted Services. |
| 7 | 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 | Overdue (Good Progress) | Previous intention to update in IJB in February 2020 not completed. Report to August 2020 IJB. (Note - Action to be merged with 1(a) above. |
| 8 | 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. | Complete | 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. |
| 9 | 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 | Complete | Final Scottish Government guidance now issued and reported to June 2020 IJB. With agreement to highlight Direction requirements in future IJB reports. |

| Angus Integration Joint Board: Governance Actions Plan | | | | | | | | Appendix 1 (Cont.) | | | |
|--|--------------------------------------|------------------|---|------------------|--|----------------------------|----------|----------------------------|--|---|---|
| Item | Source | Source Reference | Comment / Recommendation | Source Priority | Management Response / Action | Action by | Due Date | Status at Audit Committees | | | Status - Comment |
| | | | | | | | | Dec.19 | Jun-20 | Aug-20 | |
| 10 | 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 | 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. |
| 11 | 2018/19 Annual Internal Audit Report | 7 | 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 | Good progress | Of the 3 areas of late variation, two areas are now well understood. The IJB awaits feedback from Angus Council regarding income reporting issues. |
| 12 | 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 | Superseded | Now superseded by Internal Audit Report AN05/20 which will be tracked via Internal Audit Report Follow Up actions. |
| 13 | 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 | Complete | Approved February 2020 |
| 14 | 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 | Limited Progress | Limited Progress | Further development required for Improvement and Change Board and Angus Care Model plans, partly to reflect COVID-19. |
| 15 | 2019/20 Annual Internal Audit Report | 1 | We would recommend that a report be prepared for the issue (outstanding governance actions) to be reiterated to the IJB, clearly setting out the reasons why these issues have not yet been resolved, the action required to overcome impediments and the implications for governance of failure to implement them on time. There should be evidence of appropriate discussion at the IJB. | Significant | The IJB Audit Committee will continue to monitor governance actions. We have already agreed to take 4-monthly updates to the IJB regarding significant outstanding governance actions. We will include in those updates further information regarding governance implications and further steps including escalation. We will make these the subject of specific recommendations within reports to the IJB. | Chief Officer | Aug-20 | N/A | N/A | To be included in reports to August IJB | See August IJB Finance report. |
| 16 | 2019/20 Annual Internal Audit Report | 2 | Overt assurance will be needed at year end on clinical and care governance arrangements 2019/20 for Angus IJB to allow the Audit Committee in turn to conclude in its annual report. In future years, the timing for annual reports should be coordinated for yearend assurance processes. | Merits Attention | The IJB's Annual Work plan indicates these reports will, in future, be available to June Audit Committees. For 2019/20 only, due to COVID-19 related issues, this is deferred to August 2020, but reports will be made available to Auditors and Audit Committee members in advance of the August Audit Committee. | Chief Officer | Aug-20 | N/A | Complete (updated from previous Governance Action Plan). | Complete | Report provided to June 2020 Audit Committee. |
| 17 | 2019/20 Annual Internal Audit Report | 3 | The Governance action plan should be reviewed alongside other improvement plans to ensure activity is focused on the areas of highest importance...within available resources and management capacity. The COVID-19 recovery...process will have to include assessment of the impact of the pandemic on the assumptions on which the current Strategic Commissioning Plan is based. In addition, all supporting strategies will require review to take account of the impact of Covid-19 ... alongside the delivery of transformation which will need to continue to be rapid and genuinely transformative. Any review should ensure that that partner bodies have the ability and will to support the needs of the IJB. The Internal Audit plan to be presented to the Audit Committee in August 2020 will build in audit resources to review the COVID-19 recovery and reconfiguration process. | Significant | The IJB will continue to review its Governance Action Plan. In addition, and as a response to COVID-19, the IJB will in due course review its Strategic Commissioning Plan and underlying assumptions and note this may result in significant revisions to the overall plan, supporting documents and the IJB's Risk Register with a likely focus on recovery, reconfiguration and transformation to meet revised population needs, resources and ways of working. | Chief Officer | Dec-20 | N/A | N/A | Not Started Yet | The Internal Audit report noted..."However a full review of the Strategic Plan to reflect COVID-19 depends on a clearer and more definitive understanding of the long term impact of COVID-19." |

Notes - "*" indicates these issues were not formal recommendations.