

AGENDA ITEM NO 3(a)

MINUTE of MEETING of the **ANGUS HEALTH AND SOCIAL CARE INTEGRATION JOINT BOARD AUDIT COMMITTEE** held remotely on Wednesday 26 August 2020 at 12 noon.

Present: Members of Audit Committee

Councillor JULIE BELL, Angus Council
PETER BURKE, Carers Representative
ANDREW JACK, Service User Representative
KATHRYN LINDSAY, Chief Social Work Officer
GRAEME MARTIN, Non-Executive Board Member, NHS Tayside

Advisory Officers

SANDY BERRY, Chief Finance Officer
GAIL SMITH, Interim Chief Officer
DAVID THOMPSON, Manager, Legal Team 1, Legal and Democratic

Also in Attendance

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

Observers

JANE MOUG, Partnership Finance Manager
SHEILA McGRADY, Team Leader, Services Support Team – Observer
Councillor LOIS SPEED, Angus Council

Councillor Julie Bell, in the Chair

1. APOLOGIES

An apology for absence was intimated on behalf of Charlie Sinclair, Associate Nurse Director, NHS Tayside.

2. DECLARATIONS OF INTEREST

There were no declarations of interest made.

3. MINUTES INCLUDING ACTION LOG

(a) Previous Meeting

The minute of the previous meeting of 24 June 2020 was approved as a correct record.

(b) Audit Committee Action Points

The action points of this Committee of 11 December 2019 were submitted.

In response to a question from the Carers Representative, in reference to Item 7 of the 26 June 2019 meeting, the Interim Chief Officer provided an update and confirmed that the induction training was being progressed.

The Chair also referred to the progress in terms of the recruitment of the Chief Officer post and the importance that this was expedited. The Chief Finance Officer thereafter provided an update.

Having heard from the Chief Social Work Officer, in reference to Item 8 of the 24 April 2019 meeting, she indicated that she would be content to be involved in any discussions regarding the review of the breadth and role of the Audit Committee.

The Integration Joint Board Audit Committee agreed to note the updated position.

4. 2019/20 AND 2020/21 INTERNAL AUDIT PLANS – PROGRESS REPORT

With reference to Article 6 of the minute of meeting of this Committee of 24 June 2020, there was submitted Report No IJB 40/20 by the Chief Internal Auditor briefing members on work towards the completion of the 2019/20 internal audit plan and work in progress relating to 2020/21.

Appendix 1 to the Report outlined the Internal Audit's progress report regarding both the 2019/20 Internal Audit Plan and the provisional 2020/21 plan. The 2019/20 Internal Plan was now near completion. Progress on outstanding audits Risk Management (AN05/20) and Data Quality (AN06/20) were detailed in Section 2 of the Report.

The Chief Internal Auditor provided an overview of the Report.

At this stage in the meeting, the Carers Representative, in relation to the AN06/19 Data Quality Audit, Agenda Item 12 to be considered later in the agenda, requested further information regarding the Carers Act expenditure. The Chief Internal Auditor confirmed that in consultation with the Chief Finance Officer, he would require to revert back in due course.

The Chief Social Work Officer referred to the AN05-21 Commissioned Service Providers Audit and in response the Interim Chief Officer intimated that at this time, whilst the care sector was still fragile, they would look at Angus Council's route map but considered that there was no further action necessary.

The Integration Joint Board Audit Committee agreed to note the work towards the completion of the 2019/20 internal audit plan and the internal audit work undertaken relating to 2020/21.

5. ANNUAL AUDIT COMMITTEE REPORT TO INTEGRATION JOINT BOARD

With reference to Article 6 of the minute of meeting of this Committee of 28 August 2019, there was submitted Report No IJB 41/20 by the Chief Finance Office advising that it had been agreed that the Integration Joint Board's Audit Committee would provide an Annual Report to the main Integration Joint Board.

Attached as Appendix 1 to the Report was the Angus Integration Joint Board Third Annual Report 2019/20 which had been drafted by the Chief Finance Officer and reviewed by the current Chair of the Audit Committee, Councillor Julie Bell.

The Chief Finance Officer intimated that the Report was a fair record of work undertaken over the last year, highlighting that the Report was also being considered by the IJB at their meeting later today.

The Chair expressed her gratitude to all officers across the Partnership in the level of work achieved during these challenging and difficult times. She requested the Chief Finance Officer to convey her gratitude to his team.

The Audit Director, Audit Scotland, as external auditor, welcomed the annual report which she highlighted had demonstrated good governance and timing with respect to the annual reporting of Accounts and had also captured considerable detail of the business transacted throughout the year. She intimated that the year 2019/20 was an important foundation year, for the upcoming years, which she considered would be challenging. She thereafter commended the Report which had illustrated good practice.

The Integration Joint Board Audit Committee agreed to note the contents of the Report.

6. 2019/20 ANGUS IJB – ASSURANCES RECEIVED FROM PARTNERS

With reference to Article 7 of the minute of meeting of this Committee of 28 August 2019, there was submitted Report No IJB 42/20 by the Chief Finance Officer advising that in compiling the Integration Joint Board's (IJB) Annual Governance Statement, reference was made to receipt of assurance from NHS Tayside and Angus Council regarding their governance arrangements; noting that Angus IJB was reliant on both Partners to deliver the IJB's overall aims and objectives.

The Report indicated that on an annual basis the Integration Joint Board had to include a Governance Statement within its Annual Accounts. The Angus Integration Joint Board Audit Committee had considered the Angus Integration Joint Board's draft 2019/20 Governance Statement at its June meeting, report IJB No 34/20 refers.

Angus Council's Scrutiny and Audit Committee had met and after reviewing information including the Council's Internal Audit Annual Report and draft 2019/20 Governance Statement, was expected to issue a letter to Angus Integration Joint Board confirming the status of Angus Council's governance arrangements for 2019/20 and the reliance Angus Integration Joint Board would place on these. The draft letter was attached as Appendix 1 to the Report. A final and signed version of the letter would be issued post meeting of 25 August 2020.

It had been agreed with NHS Tayside that their 2019/20 Governance Statement would be shared with Angus IJB as the vehicle providing assurance to Angus IJB. NHS Tayside's Governance Statement was considered within Annual Accounts approved at the NHS Board meeting in July 2020.

The Integration Joint Board Audit Committee were asked to note the content of NHS Tayside's Governance Statement and the fact that it had concluded that corporate governance was operating effectively during 2019/20. Section 2.3 of the Report highlighted three internal control matters extracted from the NHS Tayside Governance Statement.

Having heard from the Chair and the Chief Finance Officer who provided an update and confirmed that assurances had been received from NHS Tayside through the sharing of their Governance Statement; that Angus Council had today formalised the draft letter as detailed in Appendix 1 of the Report; and since the issue of the Audit Committee agenda and papers, he confirmed a copy of Dundee IJB's Governance Statement and a letter of assurance from Perth and Kinross IJB had been received.

He advised that the recent assurances received from partners had also been shared with the Senior Audit Manager, Audit Scotland.

The Chair raised a point around the assurances received and the required detail to be included in the minute of the meeting. In response, the Chief Finance Officer indicated that the assurances were lengthy in detail and considered that by sharing these assurances with the Senior Audit Manager, that he was hopeful that this would sufficiently conclude the process.

The Audit Director, Audit Scotland advised that having previously discussed this point with the Senior Audit Manager, confirmed that they were assured that all formalities had been addressed and that they were satisfied with the process undertaken.

The Integration Joint Board Audit Committee agreed:

- (i) to note that the Integration Joint Board had issued confirmation of the adequacy and effectiveness of the governance arrangements in place within Angus Integration Joint Board for 2019/20 to Angus Council, NHS Tayside, Dundee Integration Joint Board and Perth and Kinross Integration Joint Board;
- (ii) to note the position regarding confirmation of receipt of the assurance from Angus Council; attached as Appendix 1 to the Report;

- (iii) to note the position regarding assurances contained within NHS Tayside's Governance Statements with respect to NHS Tayside;
- (iv) to note the position regarding assurances from Dundee and Perth and Kinross Integration Joint Boards; and
- (v) to note that the status of assurances received with respect to NHS Tayside and Angus Council was consistent with the contents of the Integration Joint Board's Governance Statement in the audited Annual Accounts.

Graeme Martin, Non-Executive Board Member left the meeting during consideration of the following item.

7. 2019/20 AUDITED ANNUAL ACCOUNTS

With reference to Article 8 of the minute of meeting of this Committee of 28 August 2019, there was submitted Report No IJB 43/20 by the Chief Finance Officer detailing the output from the Integration Joint Board's External Auditor's 2019/20 Annual Audit Report of Angus Integration Joint Board and the Integration Joint Board's (IJB) audited annual accounts for the period to 31 March 2020.

The Report indicated that the Integration Joint Board's Audit Committee had considered the IJB's unaudited Annual Accounts at their meeting on 24 June 2020. These accounts were subsequently available for public inspection during July 2020.

The IJB's Annual Accounts had now been audited by the IJB's External Auditor (Audit Scotland) and the IJB had received feedback in the form of the External Auditor's Report, attached as Appendix 2 to the Report; and associated letter attached as Appendix 1 to the Report. The IJB revised Audited Annual Accounts for 2019/20 were attached as Appendix 3 to the Report.

There had been no material amendments to the annual accounts since they were shared with the Audit Committee in June 2020. There had been some slight narrative clarifications, presentational changes and typographical corrections.

The Audit Director, Audit Scotland provided an overview of the External Auditor's Annual Report and highlighted a number of key areas in relation to the 2019/20 Annual Report and Accounts including, financial management and sustainability; and governance, transparency and best value.

The Chair commended the easy to read Annual Report and conveyed her gratitude to officers regarding the amount of work undertaken to compile it. She also endorsed the observations set out in the External Auditors report relating to the Mental Health Service in Tayside.

In the course of detailed discussion, the Committee heard from the Service User Representative, Chief Internal Auditor, the Carers Representative, Chief Finance Officer, the Chief Social Work Officer, the Chair, Interim Chief Officer; Manager, Legal Team 1, and the Non-Executive Board Member, NHS Tayside in relation to the sustainability of the IJB and the use of reserves; mental health services; Brexit and associated risks to increased costs of prescribing; large hospital set aside and the use of Directions.

The Chief Finance Officer thereafter thanked the Audit Director, Senior Audit Manager and Trainee Auditor, all Audit Scotland, for adhering to the timetables despite the challenging environment. He also thanked Councillor Lois Speed, Chair of the IJB, for being in attendance and observing today's meeting.

The Integration Joint Board Audit Committee agreed:-

- (i) to accept the External Auditor's Annual Report for Angus Integration Joint Board (including associated covering letter and the "Proposed Independent Auditor's Report"

for the period to 31 March 2020; specifically, to note the key audit report recommendations and accept the associated agreed management actions;

- (ii) to approve the audited Annual Accounts for signature by the Chair, Interim Chief Officer and the Chief Finance Officer of the Integration Joint Board; and
- (iii) to request that updates regarding management actions be reported to the December Audit Committee.

8. INTERNAL AUDIT REPORTS – FOLLOW UP ACTIONS

With reference to Article 8 of the minute of meeting of this Committee of 24 June 2020, there was submitted Report No IJB 44/20 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 final versions of reports would have agreed "management responses" to those recommendations of the Internal Auditors.

The Report provided updates in terms of AN07/18 - Financial Management, AN05/19 GP Prescribing and AN05/20 Risk Management.

The Chief Finance Officer provided an update of the Report and highlighted that some actions had been progressed including prescribing, and in terms of Risk Management, he confirmed that the action plan was still under development and that this would subsequently be a consideration for the Clinical, Care and Governance Forum.

The Chair commented on the desirability of progressing the two overdue actions relating to AN07/19 Financial Management but she also appreciated the circumstances against which progress had to be achieved.

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

9. GOVERNANCE ACTIONS PLAN

With reference to Article 9 of the minute of meeting of this Committee of 24 June 2020, there was submitted Report No IJB 45/20 by the Chief Finance Officer providing a Governance Action Plan for ongoing review by the Audit Committee.

Appendix 1 to the Report listed all actions currently referenced back to the 2018/19 Annual Internal Audit Report, but a number of issues were also referenced in the IJB's Governance Statement 2018/19 or had been referred to in previous Internal Audit Reports.

Many actions still required to be initiated or progressed or concluded to develop the IJB's overall governance arrangements. As noted previously, a number of issues included in the Report were particularly complex and could not be solved by the IJB in isolation. However, progress would need to be demonstrated to the Audit Committee and, for example, Internal Audit, over the coming year with these issues. Also highlighted was the shortcomings in corporate support that would undermine the IJB's ability to progress some of the governance issues at the required pace.

The Chief Finance Officer provided an overview of the key areas of the Report and confirmed that where there were significant governance issues, these issues required to be flagged up to the IJB and advised that further details were contained within the Finance Report being considered by the IJB later today. Whilst a number of issues were complex and could not be considered in isolation, he anticipated that there were actions that could be progressed.

The Integration Joint Board Audit Committee agreed:-

- (i) to note the Governance Action Plan as appended to the Report; and
- (ii) to request that Governance Action Plan updates be submitted to all future meetings of this Committee until agreed otherwise.

10. EXTERNAL REPORTS

With reference to Article 14 of the minute of meeting of this Committee of 24 June 2020, there was submitted Report No IJB 46/20 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 the Angus IJB. Previously Audit Scotland 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 June 2020 to July 2020. The Reports listed were:- The Independent Inquiry into Mental Health Services In Tayside (update covered in main IJB meeting of 26 August 2020); Covid-19 – How Public Audit in Scotland is Responding; Supply and Demand for Medicines; and Covid-19 - reference to the Scottish Government update published on their website since March 2020 onwards.

Having heard from Chair, the Integration Joint Board Audit Committee agreed to note the publication of the Reports, as outlined in Section 2.2 of the Report.

11. ANNUAL INTERNAL AUDIT PLAN 2020/21

With reference to Article 12 of the minute of meeting of 26 June 2019, there was submitted Report No IJB 47/20 by the Chief Finance Officer seeking approval of the Annual Internal Plan for Angus Integration Joint Board for 2020/21.

Appendix 1 to the Report detailed the Internal Audit Plan for 2020/21 which also described how the available resources would be utilised during the year.

The proposed plan reflected risks faced by the IJB but also acknowledged the breadth or previous Internal Audit activity. There was also more flexibility within the plan to consider the emerging issues resulting from Covid-19 or reviews of the Integration Scheme.

The Chief Finance Officer highlighted there required to be more flexibility within the plan this year. He also referred to the review of the IJB's Commissioned Service Providers risk and the importance of sustainability on services, and that the audit should be carried out as productively as possible to ensure it was delivered at the right time and correct level. In reference to Section 2.1 of the Report, he highlighted that the 2020/21 Internal Audit Reports were expected to be completed and reported to the IJB by April 2021.

Following a question by the Chief Social Work Officer in terms of AN04-21-Governance and Assurance Audit, in addition to the scope detailed in the Report, she enquired if there was a role relating to providing support to the Partnership management team to consider the workforce optimisation and assurances in relation to succession planning arrangements.

The Chair thereafter referred to the Council's recent Scrutiny and Audit Committee meeting where the point was raised as to elected members awareness of the matter of succession planning.

The Chief Internal Auditor provided an overview and highlighted that there were concerns and a number of issues that required to be addressed. He referred specifically to the Partnership's management structure, increased tasks and the need to ensure that the IJB's Strategic Planning,

took into account the workforce demographics and the need to deliver on these strategies. He indicated that workforce was a substantial risk area.

The Chair also highlighted the impact and loss of institutional knowledge.

The Interim Chief Officer confirmed that the management structure was particularly lean and intensified by early retirement options available for some management and nursing professionals. She indicated that there had been recent discussions around the importance of extending the bank staff to ensure adequate delivery of services.

Following discussion, where it was suggested that the scope be strengthened to include the issues raised, the Chief Internal Audit indicated that he would take on board any additional suggestions in order to provide support.

The Chief Finance Officer recommended that the plan remained as was and requested the Committee to agree to recognise that some of the resources as contained within the AN04-21 audit be utilised when considering the workforce plan.

The Integration Joint Board Audit Committee agreed:-

- (i) to approve the Internal Audit Plan for 2020/21, as appended in Appendix 1 to the Report; and
- (ii) to request that Angus Integration Joint Board's Internal Auditors proceed with the implementation of the approved Audit Plan and to report back as required to the Audit Committee regarding the progress of the Plan.

12. INTERNAL AUDIT REPORT – DATA QUALITY

There was submitted Report No IJB 48/20 updating members on the outcomes of the Internal Audit report regarding the review of Data Quality.

The Report indicated that the IJB's 2019/20 Annual Internal Audit plan included a review of Data Quality. The scope of the review was to evaluate and report on the completeness and accuracy of data on Adult Social Care held in the CareFirst system. The review considered whether proper corporate management arrangements for data quality were in place and applied in practice.

Appendix 1 to the Report detailed the outcome of the Internal Audit Report AN06/20 Data Quality. A number of issues were highlighted in the report with draft management responses detailed.

Due to Covid-19 related capacity issues and, in particular, due to the technical nature of this report, the overall report still required to be finalised in terms of the Partnership's review of the overall content.

The Chief Finance Officer provided an update intimating that, due to the technical content, the audit had taken substantially longer to review than others. In highlighting that the audit report was positive, he also referred to the recommendations and draft management responses/actions that were outlined in the Report. There were minor amendments that would require to be undertaken, which would be subject to the Internal Auditors approval, but recommended that the Committee approve the draft version at this time. He also confirmed that should there be material changes to the Report, that an amended Report would be brought back to the Committee for due consideration.

The Chief Internal Auditor confirmed that the Data Quality audit was a technical audit in nature and had specifically related to the Eclipse system. He emphasised the importance of ensuring that both partner IT strategies facilitated integration but expressed his concerns that both partner IT services had been seriously impacted as a result of Covid.

The Chair requested that the final version of the Report be shared with the Committee regardless of any potential material changes to the draft version.

The Carers Representative referred to Section 3, point 40 of the Report and requested that this be reviewed to provide an update on connection capabilities between Eclipse and NHS IT systems.

The Chair asked for clarity over the IT systems and the Chief Social Work Officer, as the Senior Officer responsible for the implementation of the Eclipse programme provided an informative and detailed update. She confirmed that the Eclipse system was an update to CareFirst and not a new system. However, in relation to the wider system integration issues, she intimated that these issues were not just one system related highlighting that there was a myriad of different NHS IT systems that required to be considered also.

She highlighted the challenges of interfacing systems, and that fundamentally there were continual issues faced around the ownership of data and data protection also but that issues were far more complex than they appeared to be. She indicated that some of the points referred to including access to digital equipment were outlined in her Annual Report which was due to be considered by Angus Council on 10 September 2020.

The Chief Internal Auditor noted members comments relating to point 40 and advised that he would review and include further detail to ensure this section clarified the current position. He also referred to recent national guidance that he was aware of, that recognised the legal and data protection issues but that this had also outlined how important it was to look after the health and wellbeing of the community. He agreed that he would share this national guidance with the Chief Finance Officer and Audit Committee in due course.

The Chair in response to the Chief Internal Auditor's update, highlighted that some of these issues may require to be escalated and resolved at a higher level than Angus, to ensure seamless patient care.

The Integration Joint Board Audit Committee agreed:-

- (i) to note the Internal Audit review of Data Quality as a draft final report;
- (ii) to the associated draft management responses/action and request an update on progress against actions at a future Audit Committee meeting; and
- (iii) to request the final version of the Report be shared with the Audit Committee members at a future meeting.

13. ANNUAL REVIEW – RISK MANAGEMENT

Members noted that the Annual Review – Risk Management Report was not yet available but would be shared with the Audit Committee members and regular attendees in due course and thereafter reported to the next Audit Committee.

14. 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 9 December 2020 at 12 noon. The Chair highlighted that the Audit Committee meetings for 2021, would take place at 11.30am.