

## AGENDA ITEM NO 3 (a)

MINUTE of MEETING of the **ANGUS HEALTH AND SOCIAL CARE INTEGRATION JOINT BOARD AUDIT COMMITTEE** held remotely on Wednesday 21 April 2021 at 11.30am.

**Present: Members of Audit Committee**

Councillor JULIE BELL, Angus Council  
CHRIS BOYLE, Staff Representative  
PETER BURKE, Carer's Representative  
ANDREW JACK, Service User Representative  
KATHRYN LINDSAY, Chief Social Work Officer  
CHARLIE SINCLAIR, Associate Nurse Director, 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**

CAROLE GRANT Audit Director, Audit Scotland  
MARY O' CONNOR, Senior Auditor, Audit Scotland  
TONY GASKIN, Chief Internal Auditor, Fife, Tayside and Forth Valley Audit and Management Services (FTF)

**Observers**

SHEILA McGRADY, Team Leader, Services Support Team  
Councillor LOIS SPEED, Angus Council

Councillor Julie Bell, in the Chair

Prior to the commencement of business, the Chair welcomed Carole Grant, Audit Director, Audit Scotland to her first meeting of this Committee.

Members were also reminded that it was currently the pre-election period in light of the forthcoming Scottish Parliament Elections on 6 May. Members were to be mindful of the legal requirements in their discussion and debate during the meeting.

**1. APOLOGIES**

There were no apologies intimated.

**2. DECLARATIONS OF INTEREST**

Councillor Bell advised that in her capacity as a Non-Executive Director of Public Health Scotland, she had a standing declaration of interest and specific exclusion, and would take part in any discussion or voting.

**3. MINUTES INCLUDING ACTION LOG**

**(a) Previous Meeting**

The minute of the previous meeting of 9 December 2020 was approved as a correct record.

**(b) Audit Committee Action Points**

There was submitted the Action Points update arising from the previous meeting of this Committee.

Having heard from the Carer's Representative and Chief Internal Auditor in relation to the External Reports being available on the MST Channel, the Chief Finance Officer confirmed that he would revert back to the Carer's Representative regarding the survey monkey, and also advised that where relevant, local commentary would be added in the MST Channel.

He also confirmed that the Development Day scheduled to take place in October, had now taken place in February 2021. A list of action points had been agreed and these were subsequently circulated to members on 12 March 2021.

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

*At this point, the Interim Chief Officer joined the meeting.*

**4. INTERNAL AUDIT REPORTS – FOLLOW UP ACTIONS**

With reference to Article 5 of the minute of meeting of this Committee of 9 December 2020, there was submitted Report No IJB 8/21 by the Chief Finance Officer updating members regarding the progress with meeting the recommendations of Internal Audit Reports.

The Report provided updates in terms of AN07/18 - Financial Management, AN05/20 Risk Management and AN06/20 Data Quality. Appendix 1 to the Report detailed the Angus Integration Joint Board Internal Audit Reports follow up action.

The Chief Finance Officer provided a brief summary of the Report. The Chief Internal Auditor in reference to the AN05/20 Risk Management Audit provide a detailed overview and emphasised that the risk appetite was an integral part of the risk management process.

The Chief Social Work Officer referred to the AN07/18 Financial Management Audit, and in response, the Chief Finance Officer confirmed that the Corporate Support Arrangements were a long standing matter with both NHS and Angus Council and in order to make progress with this particular audit point, it was essential to see improved development in the corporate support arrangements but emphasised that whilst both partners were keen to make progress, 2020/21 had impacted considerably. He indicated that he would revert back to partners at an appropriate time, in the near future.

The Chief Internal Auditor also suggested that the corporate support arrangements issues be raised in future discussions relating to the review of the Integration Scheme.

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

**5. GOVERNANCE ACTIONS PLAN**

With reference to Article 6 of the minute of meeting of this Committee of 9 December 2020, there was submitted Report No IJB 9/21 by the Chief Finance Officer providing a Governance Actions Plan for the ongoing review by the Integration Joint Board Audit Committee.

Appendix 1 to the Report listed nine actions currently referenced back to the 2018/19 Annual Internal Audit Report.

The Report also highlighted that shortcomings in corporate support could undermine the IJB's ability to progress some governance issues at the required pace.

The Chief Finance Officer provided a brief overview of the Report and highlighted that following a review and revised grouping of the actions within the plan, he considered this was likely to be more helpful than seeking to prioritise specific actions, and noted that prioritisation did not necessarily directly equate to a resolution.

The Integration Joint Board Audit Committee agreed to note the Governance Actions Plan as appended to the Report.

## **6. 2019/20 AND 2020/21 INTERNAL ANNUAL AUDIT PLANS – PROGRESS REPORT**

With reference to Article 4 of the minute of meeting of this Committee of 9 December 2020, there was submitted Report No IJB 10/21 by the Chief Internal Auditor briefing members on the progress to deliver the 2020/21 Internal Audit Plan.

Appendix 1 to the Report outlined the Internal Audit's progress report on the 2020/21 plan.

The Chief Internal Auditor provided a brief overview of the ongoing audits:- Governance and Assurance (AN04/21) and Charging for Services process (AN05/21).

In terms of the Charging for Services process audit (AN05/21), the Chief Social Work Officer requested that for any specific recommendations that arise from the audit, that it would be beneficial for advance notice to be given to ensure there was adequate capacity to undertake the work involved. Having heard from the Chair and also in response, the Chief Finance Officer confirmed that the Chief Internal Auditor and his team were fully aware of the current capacity constraints.

The Chair also raised a question in terms of the comparative Angus position with other IJBs across Scotland, particular relating to the impact of Covid-19 and the relative issues that arose as a result. The Chief Internal Auditor provided a detailed update and confirmed that all IJBs had been impacted, but some greater than others. In highlighting that Angus IJB were at the forefront in a number of ways including service redesign, he emphasised that regarding the local issues, there were no other IJB's not facing the same issues.

The Chief Internal Auditor indicated that the work on the review of the Integration Scheme had also permitted the other governance issues to be picked up highlighting that this may facilitate a change of status from red to green in a number of outstanding actions.

The Chair commended those involved in the significant amount of work that had been carried out.

The Integration Joint Board Audit Committee agreed to note the internal audit work undertaken relating to the 2020/21 Internal Audit Plan.

## **7. AUDIT COMMITTEE – ANNUAL WORK PLAN 2021/2022**

With reference to Article 10 of the minute of meeting of this Committee of 24 April 2020, there was submitted Report No IJB 11/21 by the Chief Finance Officer updating members in terms of the Integration Joint Board Audit Committee's Annual Work Plan for 2021/22.

The Report indicated that there was a pattern of activity within the Audit Committee that reflected 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.

For 2021/22, there were some small adjustments from previous years, noting that the 2020/21 plan had been disrupted due to Covid-19. The four adjustments were outlined in Section 2 of the Report.

The Chief Finance Officer provided an overview and made reference to the adjustments from the previous year and also to the additional requirement to hold an annual private meeting of Audit Committee members with External and Internal Audit.

The Chair, in noting the annual development session, also indicated that she would welcome additional development sessions to be arranged, should there be a particular topic of interest and enquired whether the earlier discussion around risk appetite could be considered for a development session either for the Angus IJB Audit Committee or as a combined development session with other Tayside wide IJB Audit Committees.

The Integration Joint Board Audit Committee agreed:-

- (i) to approve the Integration Joint Board Audit Committee Annual Work Plan; and
- (ii) that arrangements be put in place to co-ordinate an annual meeting of the IJB Audit Committee members with External and Internal Audit.

## **8. REVIEW OF THE ROLE OF THE CHIEF FINANCE OFFICER 2021/22**

With reference to Article 10 of the minute of meeting of this Committee of 24 June 2020, there was submitted Report No IJB 12/21 by the Chief Finance Officer briefing members regarding the outcomes of the 2020/21 self-assessment of the role of the Chief Finance Officer within Angus IJB against the principles set out in the Chartered Institute of Public Finance and Accountancy's (CIPFA) "The Role of the Chief Finance Officer in Local Government".

The 5 principles that defined the core activities and responsibilities of the Chief Finance Officer role in public service organisations were outlined in Section 2 of the Report.

The Report focused on areas previously noted that Angus Integration Joint Board were not compliant or only partly compliant with the principles. Appendix 1 to the Report detailed the Angus Integration Board – Statement on the Role of the Chief Finance Officer – Checklist 2019/20.

It was previously noted that a more detailed self-assessment would be undertaken bi-annually, however it was highlighted that it had not been possible in 2020/21 due to Covid-19.

Following questions from the Chair and the Service User's Representative in relation to Principle 2 and Principle 4 (a) Governance requirement, and in response the Chief Finance Officer confirmed that it had been essential to prioritise work as a result of Covid-19 but anticipated that the work would now begin to get back on course.

The Service User's Representative also commended the work of the Chief Finance Officer.

The Integration Joint Board Audit Committee agreed:-

- (i) to note the main points from the 2020/21 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;
- (iv) to confirm that the Integration Joint Board Chief Finance Officer should ensure a review was undertaken to establish the availability of improved financial management training for all managers within the IJB (noting this was already an outstanding IJB Audit Committee Action point); and
- (v) to note that the self-assessment would be shared with the IJB's Internal Auditors and that this would be available for the Auditors to use during their Annual Audit review. Previously, the IJB's Internal Auditors had confirmed that their view was that the self-assessments had been consistent with their knowledge of the Angus IJB and information reviewed as part of their Annual Audit report.

## **9. 2020/21 EXTERNAL AUDIT ANNUAL AUDIT PLAN**

There was submitted Report No IJB 13/21 by the Chief Finance Officer presenting to members the 2020/21 External Audit Annual Audit Plan.

The Report indicated that Audit appointments were generally for a five year period with 2020/21 being the fifth and final year of a planned five year cycle, however the current cycle had been extended into a sixth year due to the impact of Covid-19.

Appendix 1 to the Report detailed the External Audit Annual Audit Plan for 2020/21.

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

The Audit Director provided a detailed overview of the Report, highlighting the key areas including: Risks and planned work, audit scope and timing.

The Chair intimated that the Report had highlighted a number of key areas in relation to Large Hospital Set Aside and Mental Health In-Patient Service Costs. She raised a question in relation to the post of Chief Officer, given that the Chief Officer had been appointed on an interim basis since 1 February 2020.

Both the Interim Chief Officer and Chief Social Work Officer provided an update and confirmed that the recruitment process had been agreed and the advert for the Chief Officer post had recently gone live.

The Integration Joint Board Audit Committee agreed:-

- (i) to note the External Audit Annual Audit Plan, as appended to the Report;
- (ii) to approve the proposed audit fee of £27,330 and to devolve authority for approval of any reasonable supplementary fees to the Chief Finance Officer; and
- (iii) that the August 2021 IJB Audit Committee be deferred by one month to 29 September 2021.

## **10. EXTERNAL REPORTS**

With reference to Article 9 of the minute of meeting of this Committee of 9 December 2020, there was submitted Report No IJB 14/20 by the Chief Finance Officer providing an update on external, often national, reports of interest to the Audit Committee.

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 December 2020 to March 2021. The Reports listed were:- The Independent Review of Adult Social Care in Scotland; NHS in Scotland 2020; Covid-19: Tracking the implications of Covid-19 on Scotland's public finances; Covid-19 – What it means for public audit in Scotland; Dundee IJB's Annual Internal Audit Report; and Covid-19 - reference to the Scottish Government update published on their website since March 2020 onwards.

The Chief Finance Officer provided an update on the use of the Microsoft Teams Channels that would enable the distribution to a wider group and any feedback to be reviewed. He also referred to a proposed management development discussion in terms of the Independent Review of Adult Social Care in Scotland and highlighted that this particular area would be further progressed post the Election period.

The Interim Chief Officer advised that in terms of the Independent Review of Adult Social Care in Scotland, the national Chief Officers Group had formed a cohort, consisting of approximately 7 Chief Officers, to progress and take this matter forward. She also highlighted that the independent review was now a standing item on the Group's agenda. In response to the Carer's

Representative's comment in connection with the readiness toolkit and the request for a copy of the response submitted, the Interim Chief Officer indicated that a copy of the draft response to the national group would be provided to the Carer's Representative in due course.

The Integration Joint Board Audit Committee agreed:-

- (i) to note the publication of the reports as detailed in the Report; and
- (ii) that, subject to evaluation, in future, the information outlined in the Report would be issued through alternative Microsoft Teams Channels (MST) and would be expanded to the issuing of this information to the whole IJB's membership.

## **11. 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 23 June 2021 at 11.30am.<sup>1</sup>

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<sup>1</sup> Post meeting – Members have been advised that the IJB Audit Committee meeting on 23 June 2021 has been rescheduled and will now commence at 12 noon.