

## AGENDA ITEM NO 3 (a)

MINUTE of MEETING of the **ANGUS HEALTH AND SOCIAL CARE INTEGRATION JOINT BOARD AUDIT COMMITTEE** held remotely on Wednesday 22 June 2022 at 11.30am.

**Present: Members of Audit Committee**

ANDREW JACK, Service User Representative  
PETER BURKE, Carer's Representative  
PETER DAVIDSON, Non-Executive Board Member  
KATHRYN LINDSAY, Chief Social Work Officer  
HAYLEY MEARNS, Third Sector Representative

**Advisory Officers**

SANDY BERRY, Chief Finance Officer  
GAIL SMITH, Chief Officer  
LEWIS SHAND, Team Leader, Legal Team 1, Legal and Democratic

**Also in Attendance**

RACHEL BROWNE, Senior Audit Manager, 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**

JANE MOUG, Partnership Finance Manager  
RHIONA SWANKIE, Management Accountant

ANDREW JACK, in the Chair

*The Team Leader, Legal Team 1, Legal and Democratic Services took the Chair for the appointment of Chair at Item 1.*

**1. APPOINTMENT OF CHAIR AND VICE CHAIR**

The Board unanimously agreed that Andrew Jack, Service User Representative be appointed as Chair of the IJB Audit Committee.

Thereafter, the Board unanimously agreed that Kathryn Lindsay, Chief Social Work Officer be appointed as Vice Chair to the IJB Audit Committee.

**2. APOLOGIES**

An apology was intimated on behalf of Chris Boyle, Staff Representative, Angus Council.

**3. DECLARATIONS OF INTEREST**

There were no declarations of interest made.

*The Third Sector Representative joined the meeting.*

**4. MINUTES INCLUDING ACTION LOG**

**(a) Previous Meeting**

The minute of the meeting of this Committee of 20 April 2022 was approved as a correct record.

**(b) Audit Committee Action Points**

There was submitted the Action Log of 20 April 2022.

The Chief Finance Officer provided a brief overview of the action log.

In reference to the action at 8 December 2021 - Item 8 Review of the Integration Scheme, the Chief Officer intimated that following a meeting with representatives of the Mental Health Oversight and Assurance Group including the Chair and Vice Chair of the IJB earlier today, the Chair at the conclusion of the IJB meeting today, would be providing an update and also would intimate the requirement to progress with the development session in terms of the review of the Integration Scheme.

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

**5. INTERNAL AUDIT REPORTS – FOLLOW-UP ACTIONS**

With reference to Article 4 of the minute of meeting of this Committee of 20 April 2022, there was submitted Report No IJB 42/22 by the Chief Finance Officer updating members regarding the IJB's progress with the recommendations of the Internal Audit Reports.

Appendix 1 to the Report detailed the update on actions related to AN07/18 Financial Management; AN05/20 Risk Management; AN06/020 Data Quality; AN05/21 Charging for Services Audits; and AN0x/21 Annual Internal Audit Report.

The Chief Finance Officer provided a brief overview and in reference to the previous request to categorise actions, intimated that it may now be possible to further progress and complete a considerable number of the actions over the coming months given the anticipated level of stability post COVID, and also highlighted the update to the IJB Audit Committee workplan to include Risk Management reporting.

Following discussion, a number of questions and comments were raised from the Carer's Representative, the Chair, the Non-Executive Board Member and the Chief Officer in relation to the data quality actions including the appointment of an Information Manager; the backlog of actions; risk management, particularly risk appetite for including in future reporting; and also the recommendations put forward by the Oversight Group in terms of decision making and development session.

In providing an update, the Chief Finance Officer intimated that it would be beneficial to pilot a trial to invite other officers to address and attend future Audit Committee meetings to provide more oversight on their respective follow up actions, and proposed that the Data Quality should be the first audit taken forward for reporting to the next meeting, and thereafter followed by the Risk Management actions, particular around risk appetite to the next meeting in December 2022.

The Chief Internal Auditor advised that he would arrange to share further information regarding Risk Appetite principles with the Chief Finance Officer and Chief Officer post meeting.

The Integration Joint Board Audit Committee agreed:-

- (i) to note the Report and progress made to date in terms of delivering the planned response; and
- (ii) to approve the inclusion of bi-annual Reports regarding Risk Management being factored into the IJB Audit Committee's Annual Workplan as detailed in Section 3.3 of the Report.

*The Team Leader, Legal Team 1, Legal and Democratic left the meeting during consideration of the following item.*

## **6. GOVERNANCE ACTIONS PLAN**

With reference to Article 5 of the minute of meeting of this Committee of 20 April 2022, there was submitted Report No IJB 43/22 by the Chief Finance Officer providing an update in regards to the Governance Actions Plan.

Appendix 1 to the Report detailed a number of actions that still required to be progressed or concluded to improve the IJB's overall governance arrangements. Section 3.2 of the Report provided an update on progress with the governance actions which had been significantly impacted by COVID-19, capacity related issues and in some cases, where the particular action, was complex in nature and unable to be resolved by the IJB in isolation.

The Chief Finance Officer provided a brief overview and in reference to the previous agenda item highlighted the similar issues related to progressing actions, and intimated that there may be an element of stability post COVID over the coming months, to advance some of these actions.

The Chief Social Work Officer raised a question related to the recent publication of the National Care Service Bill and the potential effect on capacity on progressing current actions, and impact on staff and partner bodies.

The Chief Officer referred to recent dialogue with the Chief Executive of NHS Scotland and also the Scottish Cabinet Secretary for Health and Social Care at the recent NHS Conference on 21 June, advising that the National Care Service required to be functional by end of the parliamentary year 2026, and in referring and highlighting a number of implications intimated there had been assurance that there would be no "big bang approach" taken.

In response to the Chief Social Work Officer's question, the Chief Internal Auditor intimated that in his opinion, there would undoubtedly be impact on officers, partner bodies and workforce with additional workload pressures on an already pressured service environment.

Thereafter, he referred to the National Care Service, and also highlighted a number of points outlined in the Annual Internal Audit Report (Report IJB46/22) particularly Corporate Governance, the Strategy section related to risks posed by operational pressures, potential risks to services from demographic and workforce pressures that already threaten sustainability, the need to develop a realistic and achievable strategy to address the needs of the local population post COVID, within financial and operational parameters.

He emphasised the likelihood that there would be difficult decisions to be taken in future, which may not fully align with public or Scottish Government expectations.

Thereafter, the Chief Officer provided a brief overview of projects and acknowledged the difficult decisions that had required to be taken.

Following up on the points raised by both the Chief Officer and Chief Internal Auditor, the Chair reiterated the commitment to focus on meeting targets and also in resolving the governance actions that had occurred over the previous years, as outlined in the Appendix to the Report.

Having heard from the Carer's Representative, the Integration Joint Board Audit Committee agreed to note the Governance Actions Plan.

## **7. 2021/22 AND 2022/23 INTERNAL AUDIT PLAN – PROGRESS REPORT**

With reference to Article 6 of the minute of meeting of this Committee of 20 April 2022, there was submitted Report No IJB 44/22 by the Chief Internal Auditor providing an update on progress against the 2021/22 Internal Audit Plan as well as work in progress related to 2022/23.

The Report also detailed internal audit reports that were commissioned by the partner Audit and Risk Committees, where the outputs were considered relevant for assurance purposes to the Angus IJB, for information.

Appendix 1 to the Report represented the Internal Audit's progress Report on the 2021/22 Plan as well as the non-discretionary elements of the 2022/23 Plan.

The Chief Internal Auditor highlighted the reasons for slippage and confirmed that the 2021/22 Audits related to AN05/22 - Sustainability of Primary Care Services and AN06/22 - Commissioned Service Providers were on target for reporting to the IJB Audit Committee in August 2022.

The Integration Joint Board Audit Committee agreed to note the progress against the 2021/22 Internal Audit Plan and work undertaken related to 2022/23.

## **8. ANGUS ANNUAL RISK MANAGEMENT REPORT 2021/22**

With reference to Article 9 of the minute of meeting of this Committee of 23 June 2021, there was submitted Report No IJB 45/22 by the Chief Officer providing members with an update of the Risk Management activities undertaken during 2021/22.

The Report indicated that the IJB monitored a series of corporate strategic risks using agreed methodologies including areas related to financial, clinical care and professional governance, performance management and workforce risks. The scrutiny and management of risks were devolved to Angus HSCP Clinical, Care and Professional Governance Group (CCPG). The Report presented on an annual basis to the Committee, together with a mid-year update, aimed to demonstrate that arrangements for Risk Management were in place.

Jillian Galloway, Head of Community Health and Care Services highlighted some of the key areas of the Report including progress with some of the outstanding actions as detailed in the internal audit review, the Clinical, Care and Professional Governance Group (CCPG) business and in terms of the level of assurance for Angus HSCP, highlighted that this had been categorised as moderate throughout 2021/22. She also confirmed that the risk appetite still required to be defined.

In response to the Chief Social Work Officer's question related to the National Care Service, the Head of Community Care and Services provided an update and confirmed that this was due to be considered at the July CCPG Risk meeting, and that it was anticipated that the process applied would be similar to that of recent work progressed in terms of the Ukraine framework.

The Chair and the Carer's Representative raised some comments and questions in relation to officers attendance at future meetings to bring further context and content around identified risks, risk appetite, also for the National Care Service to be included on the risk register in due course, and the request for further information to be provided related to risk and assessment methods implemented.

The Chief Internal Auditor provided a brief background in terms of risk scoring.

Thereafter the Chief Finance Officer intimated that he would consider a provisional timeline for officers to attend to present further information around risk management areas.

The Head of Community Health and Care Service highlighted that the Risk Improvement Plan, SR11 Commissioned Service Provider Failure Action 4 should have read "ongoing" and not "not started" as detailed in the Report. She also re-iterated that the potential emerging risks related to National Care Service and Risk Appetite would be taken forward to the next meeting of the CCPG Risk meeting in July 2022.

The Integration Joint Board Audit Committee agreed:-

- (i) to note the contents of the Angus HSCP Annual Risk Management Report for 2021/22, as appended to the Report.

## **9. 2021/22 ANNUAL INTERNAL AUDIT REPORT**

With reference to Article 10 of the minute of meeting of this Committee of 23 June 2021, there was submitted Report No IJB 46/22 by the Chief Finance Officer presenting the Annual Internal Audit Report as produced by Angus IJB's Internal Auditors.

Appendix 1 to the Report outlined the Angus Integration Joint Board's Internal Auditors 2021/22 Annual Internal Audit Report.

The Annual Report provided the IJB Audit Committee with an independent view of the overall adequacy and effectiveness of the framework of governance, risk management and control within the IJB, in turn, this informed the compilation of the IJB's draft Annual Governance Statement – part of the IJB's Annual Accounts.

The main conclusions made by Angus IJB's Chief Internal Auditor were outlined in Section 2 of the Report.

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

The Chief Internal Auditor took the opportunity to thank all staff involved in the work to support Internal Audit throughout the year, thereafter intimated that the Audit work undertaken in partnership with Angus Council Internal Audit Service had concluded that reliance could be placed on the IJB's governance arrangements and systems of internal controls for 2021/22. He also highlighted a number of key areas of the Report related to strategy and staff and offered to share the new Strategic Planning guidance with members and officers in due course.

The Chair and Chief Social Work Officer welcomed the comprehensive and easy to read Report, thereafter, the Integration Joint Board Audit Committee agreed:-

- (i) to note the Report in context of evaluating the internal control environment for 2021/22; and
- (ii) to note and approve the internal audit recommendations and management responses documented within the Report, noted these responses may be subject to future ratification.

## **10. 2021/22 ANGUS INTEGRATION JOINT BOARD ANNUAL GOVERNANCE STATEMENT**

With reference to Article 11 of the minute of meeting of this Committee of 23 June 2021, there was submitted Report No IJB 47/22 by the Chief Finance Officer setting out the Integration Joint Board's (IJB) draft Annual Governance Statement for financial year 2021/22. If approved, the Annual Governance Statement would then be formally included in the IJB's 2021/22 Annual Accounts.

The Report indicated that on an annual basis the Integration Joint Board had to include an Annual Governance Statement within its Annual Accounts. The statement was intended to explain the IJB's governance arrangements and effectiveness of the IJB's system of internal control.

The Annual Governance Statement acknowledged that a number of issues for development in previous years had still not been concluded, with some of the delay attributed to the impact of COVID-19. It remained important to note that other factors including the complexity of these issues; the requirement to work with other parties; the management capacity available; and the competing demands across a range of governance and operational issues remained concerns in resolving those issues. Updates on the most important outstanding governance actions were provided to the IJB regularly. Some matters may be resolved through the conclusion of the review of the IJB's Integration Scheme and associated documents.

The Chief Finance Officer provided an overview of the Report, highlighting the specific areas that were included in this year's statement in relation to COVID-19, Mental Health - Governance

Arrangements, Adult Protection, Income Management, Development Issues and Review of Effectiveness.

The Chief Social Work Officer intimated that in terms of Adult Protection, in reference to the Tayside Chief Officers Group, that this should read "Angus" and not "Tayside" as outlined in the Report, noting also that Appendix to Report 48/22 would require to be amended also.

The Chief Finance Officer noted the amendments highlighted, thereafter, the Integration Joint Board Audit Committee agreed:-

- (i) to approve the IJB's 2021/22 Annual Governance Statement;
- (ii) to authorise the Chair of the IJB's Audit Committee to write to Angus Council, NHS Tayside, Dundee IJB and Perth and Kinross IJB confirming the adequacy and effectiveness of the governance arrangements within Angus IJB for 2021/22, including sharing the latest version of the Annual Governance Statement; and
- (iii) to request the Chief Finance Officer to seek assurances from NHS Tayside, Angus Council, Dundee IJB and Perth and Kinross IJB prior to the next Angus IJB Audit Committee meeting regarding reliance being placed on systems of control within these organisations, in the context of the impact on Angus IJB.

## **11. 2021/22 UNAUDITED ANNUAL ACCOUNTS**

With reference to Article 12 of the minute of meeting of this Committee of 23 June 2021, there was submitted Report No IJB 48/22 by the Chief Finance Officer setting out the Integration Joint Board's (IJB) unaudited annual accounts for financial year 2021/22.

The Report indicated that as a formally constituted body, the IJB was required to produce a set of formal Annual Accounts in accordance with the regulations and guidance as detailed in Section 2 of the Report. Attached as Appendix 1 to the Report was the Integration Joint Board's Unaudited Annual Accounts for 2021/22.

The unaudited Annual Accounts to be submitted to the Integration Joint Board's External Auditors would include the updated Annual Governance Statement after it had been the subject of separate Audit Committee consideration, and an extract of the Integration Joint Board's Annual Performance Report.

The Chief Finance Officer highlighted a number of key areas of the Report including Management Commentary, Income and Expenditure Statement for the year ended 31 March 2022 and movement in Reserves.

The Senior Audit Manager, Audit Scotland provided an update and intimated that she was confident that the original reporting timeline to undertake the audit of the 2021/22 Unaudited Annual Accounts and to report back to the IJB Audit Committee in August 2022, was achievable.

The Integration Joint Board Audit Committee agreed:-

- (i) to note the background regarding the compilation of the IJB Unaudited Accounts for 2021/22; and
- (ii) to approve the submission of the Unaudited Annual Accounts to the IJB's External Auditors.

## **12. INTERNAL AUDIT PLAN 2022/23**

With reference to Article 13 of the minute of meeting of this Committee of 23 June 2021, there was submitted Report No IJB 49/22 by the Chief Internal Auditor requesting approval for the Annual Internal Plan for Angus IJB for 2022/23.

The Report indicated that the Internal Audit Charter would be re-approved as part of the approval of the IJB's Annual Internal Audit Plan. Appendix 1 to the Report detailed the Audit Charter with no update to the Charter required.

The Internal Audit plan described how the available resources would be utilised during the year, and noting, those resources to deliver the plan, would be provided by NHS Tayside and Angus Council Internal Audit Service. A total of 40 days had been included in the 2022/23 Internal Audit Plan.

The Chief Internal Auditor provided a brief overview of two audits related to AN04-23 – Workforce and AN05-23 – Finance. The Chief Officer also advised that a comprehensive Workforce Report was due to be considered by the IJB at their meeting later today. Workforce reports would also be submitted to Dundee and Perth and Kinross IJB's in due course.

The Chief Social Work Officer referred to the connection with and the importance of reporting to parent bodies, and advised that the Workforce Report was due to be considered at an Angus Council committee shortly.

The Integration Joint Board Audit Committee agreed:-

- (i) to approve the Internal Audit Plan for 2022/23;
- (ii) to request that Angus IJB's Internal Auditor proceed with the implementation of the approved Audit Plan and to report back as required to the IJB Audit Committee regarding progress of that Plan; and
- (iii) to approve the Internal Audit Charter and to note that no updates were required.

### **13. 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 24 August 2022 at 11.30am.