

AGENDA ITEM NO 3 (a)

MINUTE of MEETING of the **ANGUS HEALTH AND SOCIAL CARE INTEGRATION JOINT BOARD AUDIT COMMITTEE** held remotely on Wednesday 7 December 2022 at 11.30am.

Present: Members of Audit Committee

ANDREW JACK, Service User Representative
CHRIS BOYLE, Staff Representative, Angus Council
PETER BURKE, Carer's Representative
KATHRYN LINDSAY, Chief Social Work Officer
Councillor GEORGE MEECHAN, Angus Council

Advisory Officers

SANDY BERRY, Chief Finance Officer
GAIL SMITH, Chief Officer
ANDREW THOMPSON, Team Leader – Legal

Also in Attendance

JILLIAN GALLOWAY, Head of Community Health and Care Services
TONY GASKIN, Chief Internal Auditor, Fife, Tayside and Forth Valley Audit and Management Services (FTF)
RHIONA SWANKIE, Management Accountant – Observer

ANDREW JACK, in the Chair

The Team Leader, Legal, 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 Hayley Mearns, Third Sector Representative.

3. DECLARATIONS OF INTEREST

There were no declarations of interest made.

Having heard from the Chair and in accordance with the provisions of Standing Order 3.5 (b), the Chair intimated that the business to be transacted be amended from that as published and would be considered in the following order.

4. IJB AUDIT COMMITTEE WORKING ARRANGEMENTS

With reference to Article 10 of the minute of meeting of this Committee of 8 December 2021, there was submitted Report No IJB 79/22 by the Chief Finance Officer providing an update regarding a number of the working arrangements of the IJB's Audit Committee.

The Report provided detail related to the re-appointments, constitutional arrangements/Terms of Reference and the IJB Audit Committee's Annual Development Session.

The Chief Finance Officer provided a brief summary of the Report, thereafter, the Integration Joint Board Audit Committee agreed:-

- (i) that with reference to Agenda Item 1, to note the re-appointment of Andrew Jack and Kathryn Lindsay to the roles of Chair and Vice Chair of the IJB's Audit Committee respectively;
- (ii) to note that the IJB Audit Committee's constitutional arrangements had been reviewed in August 2022 and were therefore up to date; and
- (iii) to note the timing and proposed agenda for the next IJB Audit Committee Development session.

5. MINUTES INCLUDING ACTION LOG

(a) Previous Meetings

The minutes of meeting of this Committee of 24 August 2022 and Special Meeting of 22 September 2022 were approved as correct records.

(b) Audit Committee Action Points

There was submitted the Action Log of 24 August 2022.

The Chief Finance Officer provided a brief overview of the action log highlighting progress made and that in terms of action point of 24 August Item 4, indicated that the Angus Digital Group's Terms of Reference would be shared with members in due course.

The Chief Finance Officer in response to the Carer's Representative comment in terms of consistency agreed to review the current RAG status position.

The Integration Joint Board Audit Committee agreed to note the update provided in relation to the action log.

6. EXTERNAL AUDITORS ANNUAL PLAN

Members noted that due to the timing of the closure of 2021/22 reporting and the appointment of the new External Audit Team, the Plan would now be brought forward for consideration to the April 2023 meeting.

7. INTERNAL AUDIT REPORTS – FOLLOW-UP ACTIONS

With reference to Article 4 of the minute of meeting of this Committee of 24 August 2022, there was submitted Report No IJB 75/22 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; AN0x/21 Annual Internal Audit Report; AN46/22 Annual Internal Audit Report 2021/22; and AN06/22 Commissioned Services. Appendix 2 to the Report detailed the Financial Management Audit Update Report.

The Chief Finance Officer provided a brief overview of the progress of some actions, and also referred members to the Financial Management Audit Update Report outlined in Appendix 2 of the Report. An update on the revised timelines to December 2022 and AN06/20 was also provided in response to a point raised by the Chief Internal Auditor.

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

8. 2021/22 AND 2022/23 INTERNAL AUDIT PLAN – PROGRESS REPORT

With reference to Article 6 of the minute of meeting of this Committee of 24 August 2022, there was submitted Report No IJB 76/22 by the Chief Internal Auditor providing an update on the completion of the 2021/22 Internal Audit Plan as well as work in progress related to 2022/23.

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

Appendix 1 to the Report represented the Internal Auditor's progress Report on the 2021/22 and 2022/23 Plans.

The Chief Internal Auditor provided a brief summary of progress highlighting that the final Commissioned Service Providers and the draft Sustainability of Primary Care Services Audit Reports were both on today's agenda. He intimated that whilst there had been progress with the Workforce Audit, the draft timeline had now been extended from December 2022 to April 2023.

The Chief Officer, in reference to workforce, intimated that the feedback from the Scottish Government was available on the AHSCP website.

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

9. INTERNAL AUDIT REPORT – COMMISSIONED SERVICES (AN06/22)

With reference to Article 7 of the minute of meeting of this Committee of 24 August 2022, there was submitted Report No IJB 77/22 by the Chief Finance Officer updating members on the final output of the Internal Audit Report regarding Commissioned Services.

The Report indicated that the 2021/22 Internal Audit Plan included a review of Commissioned Services. Appendix 1 to the Report detailed the final Internal Audit Report of Commissioned Services (AN06/22).

The final version of the Report had been signed off by managers and the IJB's Internal Auditors in September 2022 and that Management responses had been transferred from George Bowie to Eunice McLennan, Head of Community Health and Care Services.

Observations and recommendations in the Report were intended to improve the sustainability of Commissioned Services. Whilst there were no direct financial implications of the Report, the output would influence the management of £c45m of resources within the IJB.

The draft Report indicated that only limited assurance could be derived from the current control mechanisms and that it was anticipated that resolutions of the action points would increase assurance levels.

The Chief Finance Officer provided a brief overview of the Report and also highlighted the change of lead officer in terms of the management responses to the actions as detailed in Section 2 of the Report.

The Integration Joint Board Audit Committee agreed:-

- (i) to note the findings of the final version of the Internal Audit into Commissioned Services; and

- (ii) to request that follow up actions as described in the “Management Responses” were monitored through the regular “Internal Audit – Follow Up” Reports to the Audit Committee.

10. GOVERNANCE ACTIONS PLAN

With reference to Article 5 of the minute of meeting of this Committee of 24 August 2022, there was submitted Report No IJB 78/22 by the Chief Finance Officer providing an update to members 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. Appendix 2 to the Report provided a progress report in relation to Integrated Workforce – Workaround Options.

A number of actions still required to be progressed or concluded to improve the IJB’ s overall governance arrangement, at present, there was limited capacity across the systems, concurrently, to resolve a number of these issues. The IJB continues to seek to address capacity issues at a number of levels.

The Chief Finance Officer provided a brief update in relation to the calling in of respondents, clarification of overall governance and accountability arrangements; and the Integrated Workforce – Workaround options.

The Chief Social Work Officer sought clarity around the lack of update in relation to Hosted Services and in response, the Chief Finance Officer highlighted there were a number of complicated issues but one of the mains reasons for the delay was around capacity issues. Also heard from the Head of Community Health and Care Services and Chief Officer who provided further background information and confirmed that work was progressing, with a further meeting scheduled to take place next week with the aim that the associated action would be completed by February 2023.

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 request a progress Report related to the IJB’ s Governance Documentation be brought forward to the April 2023 meeting.

11. RISK MANAGEMENT MID YEAR UPDATE

With reference to Article 8 of the minute of meeting of this Committee of 22 June 2022, there was submitted Report No IJB 82/22 by the Chief Officer providing an update to the Committee on the progress in managing the Angus Integration Joint Board’s (IJB) Strategic Risk Register.

The Report indicated that Angus IJB Audit Committee had delegated responsibility from the IJB for ensuring all relevant strategic and operational risks were accurately identified, assessed, evaluated, recorded and monitored.

The Chief Officer as Accountable Officer was responsible for maintenance of a sound system of internal control and for reviewing the effectiveness of the risk management system within the organisation and facilitating the preparation of an annual Governance Statement. Additionally, the IJB were subject to the requirements of the Scottish Public Finance Manual, and must operate a risk management strategy.

The Head of Community Health and Care Services provided an overview of the key areas of the Report including the new and emerging risks related to Community Compulsory Treatment Orders/Detention Order Process; Rota Disconnect; Industrial Action; National Care Service (NCS); Community Pharmacy; Risk Appetite; Risk Training; and the Strategic Risk Improvement Action Plan.

The Chief Social Work Officer sought clarity in terms of the Primary Care Board, particularly around where this fitted into the governance arrangements of the IJB and suggested that the use of flowchart would be helpful in this regard. In terms of the Community Compulsory Treatment Orders/Detention Order Process risk, she advised that this was covered in her Annual Report to the IJB and also discussed at length at the recent IJB.

In response to the question related to Primary Care Board, the Head of Community Health and Care Services advised that this had been raised as a result of the recent internal audit report where it had been highlighted that the governance structure required to be reviewed.

The Chief Officer also referred to the governance and structure of the Primary Care Board and provided a brief update in terms of the follow up in relation to Risk Appetite.

Further discussion took place in terms of the signing off of the Risk Appetite Statement and next steps required.

Having heard from the Carer's Representative, in reference to the earlier discussion regarding the RAG status, and in response, the Head of Community Health and Care Services agreed that this would be reviewed going forward.

The Chief Internal Auditor welcomed the comprehensive Report, thereafter the Integration Joint Board Audit Committee agreed:-

- (i) having reviewed, to accept the strategic risk profile, risk rating matrix and strategic risk improvement action plan;
- (ii) to acknowledge progress made in relation to Internal Audit Review of Risk Management;
- (iii) to accept the new and emerging strategic risks; and
- (iv) to acknowledge that IJB/Audit committee members had attended risk appetite training and request that an additional session be arranged in 2023.

12. 2021/22 EXTERNAL ANNUAL AUDIT REPORT – PROGRESS UPDATE

With reference to Article 6 of the minute of meeting of this Committee of 20 April 2022, there was submitted Report No IJB 80/22 by the Chief Finance Officer setting out progress towards the completion of the External Auditor's 2021/22 Annual Audit Report Action Plan.

Appendix 1 to the Report outlined the update in relation to the Annual Audit Report Action Plan.

The Integration Joint Board Audit Committee agreed to note the External Annual Audit Report Action Plan including that further updates would be brought forward to the April 2023 Audit Committee meeting.

13. GOVERNANCE DOCUMENT UPDATE

With reference to Article 11 of the minute of meeting of this Committee of 20 April 2022, there was submitted Report No IJB 81/22 by the Chief Finance Officer setting out the status of a series of documents that underpinned the governance of the IJB.

Appendix 1 to the Report outlined the update in relation to the IJB Governance Document Status.

The Integration Joint Board Audit Committee agreed to note the updated Report and the documentation that required to be progressed and to note that annual updates would be included in the Audit Committee's annual workplan.

14. ANGUS IJB DIRECTIONS UPDATE

There was submitted Report No IJB 83/22 by the Chief Officer outlining a summary of the Directions issued by the IJB from January 2022 to November 2022.

The Report indicated that the Angus IJB Directions Policy and Procedure as outlined in Appendix 1 to IJB Report No 51/22 was approved by the IJB on 24 August 2022. The policy outlined that the IJB's Audit Committee would be responsible for the overview of progress with the implementation of directions, requesting twice yearly progress Reports; and to also escalate key delivery issues to the IJB.

The Head of Community Health and Care Services highlighted that this was the first status report to be brought forward to members. Thereafter the Chief Finance Officer outlined the reporting timeframe going forward.

The Chief Social Work Officer welcomed the Report and enquired regarding comparisons with other IJBs, and in response the Head of Community Health and Care Services provided a brief overview and also highlighted some areas where there had been shared directions approach taken forward with both Dundee and Perth and Kinross IJB's.

The Integration Joint Board Audit Committee agreed:-

- (i) having reviewed, to note the details of the Directions issued by Angus HSCP from January 2022 to November 2022; and
- (ii) to request a further update be prepared to the IJB Audit Committee in June 2023.

15. INTERNAL AUDIT REPORT – SUSTAINABILITY OF PRIMARY CARE (AN05/22)

There was submitted Report No IJB 84/22 by the Chief Officer updating members on the output of the Internal Audit report regarding Sustainability of Primary Care.

The Report indicated that the audit was jointly commissioned by Angus IJB, Perth and Kinross IJB and NHS Tayside and had reviewed strategic risks related to Sustainability of Primary Care Services. The first draft Report was issued in May 2022 and widely circulated to NHS Tayside and IJB colleagues. Draft management responses had now been incorporated into the draft Report as outlined in Appendix 1 to the Report.

The draft Report indicated that only limited assurance could be derived from the current control mechanisms and that it was anticipated that resolutions of the actions points would increase assurance levels.

Observations and recommendations within the Report were intended to improve the management of the risks associated with Primary Care. Whilst there were no direct financial implications of this Report, the output would influence the management of c£70m of resources in General Practice alone across Tayside. A final version of the Report was expected to be made available and shared with members in January 2023.

In emphasising that the Report was significant and complex, the Chief Officer also referred to the various Action Point References outlined in the Report, that required to be prioritised and actioned.

The Chair welcomed the comprehensive Report, thereafter the Chief Social Work Officer raised questions in terms of the joint commissioning and the inclusion of Dundee; and highlighted that the Chief Officer was still referred to "Interim" on page 78 of the combined papers; and in reference to earlier discussion at Agenda Item 11, indicated that it would be beneficial for Angus IJB members to understand the connection of this particular area, in terms of responsibility, oversight and decision making. In response, the Chief Internal Auditor and Chief Officer provided updates.

In terms of the Primary Care Board, the Chief Officer highlighted that at present the strategic decision making current lay with the IJB's. The proposals were for a Primary Care Board as a single forum for strategic decision making; and ideally, that each local IJB would have operational responsibility. She also highlighted the position in terms of Lead Officer roles, the review of roles and responsibilities and the continual recruitment issues.

The Chief Social Work Officer in acknowledging the comprehensive report and updates received, re-iterated the importance of the IJB members being kept informed of progress and any challenges that may emerge and potential cross cutting implications.

The Integration Joint Board Audit Committee agreed:-

- (i) to acknowledge the issue of the draft Sustainability of Primary Care Internal Audit Report; and
- (ii) to note that a copy of the finalised Report would be shared with Audit Committee members between meetings and then discussed formally at the IJB Audit Committee in April 2023.

16. 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 26 April 2023 at 11.30am.

VALEDICTORY

The Chair on behalf of the Audit Committee highlighted that this was the last meeting for Peter Burke, Carer's Representative and took the opportunity to thank Peter for his commitment, input and support as a member of the Audit Committee and wished him well for the future. The Chief Officer and Chief Finance Officer also conveyed their gratitude to Peter.

In response, Peter highlighted the good work being progressed by the Committee and wished members and officers well for the future.