

## Annual Governance Statement

### Introduction

In October 2015, the Scottish Government approved Angus IJB's Integration Scheme thus formally constituting the Partnership with the intention of it being responsible for services from 1<sup>st</sup> April 2016. Angus IJB duly assumed responsibility for services from 1<sup>st</sup> April 2016 and this Governance Statement therefore reflects the responsibilities assumed from 1<sup>st</sup> April 2016. During 2022 a revised Integration Scheme was developed. This was considered and supported by NHS Tayside and Angus Council (the parties to the agreement) in June 2022 and the revisions to the Integrations Scheme then received Ministerial approval in November 2022.

The Annual Governance Statement explains the IJB's governance arrangements and reports on the effectiveness of the IJB's system of internal control.

### Scope and Responsibility

The IJB is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for and used economically, efficiently and effectively.

To meet this responsibility the IJB has established arrangements for governance which includes a system of internal control. The system is intended to manage risk and to support the achievement of the IJB's policies, aims and objectives. Reliance is also placed on the NHS Tayside and Angus Council systems of internal control that support compliance with both organisations' policies and promotes achievement of each organisation's aims and objectives, as well as those of the IJB. Reliance is similarly placed on Dundee IJB and Perth & Kinross IJB with respect to hosted services.

The system can only provide reasonable and not absolute assurance of effectiveness.

### The Governance Framework and System of Internal Control

The Board of the IJB comprises voting members, nominated by either NHS Tayside or Angus Council, as well as non-voting members, including a Chief Officer appointed by the Board. Board membership during 2022/23 is documented in the Angus IJB Remuneration Report within the Annual Accounts.

Angus IJB also has an Audit Committee chaired by a member of the IJB and comprising five further IJB members. During 2022/23, the Audit Committee met five times, including one special meeting. The Audit Committee conducts its business in line with CIPFA's "Audit Committees: Practical Guidance for Local Authorities and Police" guidance. The Audit Committee's membership at the year-end was as follows:-

Andrew Jack (Chair of Audit Committee, attended 5 of 5 meetings)  
Chris Boyle (attended 3 of 5 meetings)  
Peter Burke (attended 5 of 5 meetings)  
Kathryn Lindsay (Vice Chair of Audit Committee, attended 5 of 5 meetings)  
Hayley Mearns (attended 2 of 5 meetings)  
Councillor George Meechan (attended 3 of 3 meetings)  
Elaine Henry (attended 0 of 0 meetings)

In June 2022, Andrew Jack became Chair of the Audit Committee replacing Councillor Julie Bell [attended 1 of 1 meeting]. Kathryn Lindsay was appointed as Vice-Chair of the Audit Committee replacing Andrew Jack.

During the financial year, Councillor George Meechan joined the Audit Committee, replacing Councillor Julie Bell, and attended his first meeting in August 2022. Peter Davidson resigned from the Audit Committee (attended 3 of 5 meetings) when he was appointed Vice Chair of the IJB and in February 2023 was replaced by Elaine Henry.

The main features of the ongoing governance framework in existence during 2022/23 were:

- Approved updated Integration Scheme, Standing Orders and Financial Regulations (updated April 2023).
- Bi-monthly public meetings of the IJB, with two additional special meetings of the IJB in May 2022 and March 2023. The requirement to hold additional special meetings does reflect the dynamic environment the IJB is operating in.
- Code of Conduct and Register of Interests for all IJB members.

- Monthly Executive Management Team meetings.
- Weekly Leadership Management Team meetings.
- The Strategic Planning Group met five times in 2022/23 overseeing the IJB's Strategic Plan and its implementation and updating.
- Monthly Clinical, Care and Professional Governance forum.
- Bi-monthly Staff Partnership forum.
- The Audit Committee met five times in 2022/23, including one additional special meeting of the Audit Committee in September 2022, with responsibility for agreeing the Annual Internal Audit Plan, considering the results of any external or internal inspections, assessments or audits of the IJB, scrutinising the Annual Accounts and Governance Statement of the IJB and monitoring the progress with "Directions" issued by the IJB. The Audit Committee fulfils its remit in compliance with CIPFA's "Audit Committees – Practical Guidance for Local Authorities and Police".
- The IJB's Audit Committee holds an annual "private" meeting between the IJB's Internal and External Auditors and the members of the IJB's Audit Committee.
- Appointment of Fife, Tayside and Forth Valley Management Services as Internal Auditors for the IJB with support from Angus Council Internal Audit.
- Appointment of Audit Scotland as External Auditors for the financial years 2022/23 to 2026/27.
- Chief Officer in post for duration of 2022/23.
- Chief Finance Officer in post for the duration of 2022/23 with the Chief Finance Officer having overall responsibility for the IJB's financial arrangements, being professionally qualified and having suitable experience to lead the IJB's finance function and to direct staff. In line with overall Corporate Support arrangements, the Chief Finance Officer is reliant on the finance support provided by both NHS Tayside and Angus Council. The responsibility for management of associated NHS finance staff and Angus Council finance staff is devolved to the Chief Finance Officer enabling a fully integrated finance team.
- In depth review of the "Role of the Chief Finance Officer in Local Government".

The governance framework described above operates on the foundation of internal controls, including management and financial information, financial regulations, administration, supervision and delegation. During 2022/23 this included the following:

- Implementation of the IJB's Risk Management Strategy and revision and enhancements to risk management arrangements and processes.
- Establishment of Performance Steering Group with associated improved performance reporting framework.
- Provision of regular financial monitoring reports to the IJB.
- Provision of regular budget settlement reports.
- Provision of regular Strategic Financial Planning reports to the IJB.
- Approval and delivery of an Annual Internal Audit Plan.
- Further increased issuing of "Direction" to the IJB's Partner organisations and the approval of a new Directions Policy and Procedure in August 2022.
- Implementation of complaints handling procedure in line with partner organisations, noting improvement work continues to be progressed.
- Ongoing monitoring of Clinical, Care and Professional Governance arrangements including required reporting to partner bodies.
- Implementation of the IJB's GDPR (General Data Protection Regulation) protocols.
- Reliance on the procedures, processes and systems of Partner organisations for which assurance is received from Partner bodies.
- Development of IJB Risk Appetite.
- Approved a new Equalities Mainstreaming Report (August 2022).
- Approval of a 2022-2025 Workforce Plan with annual monitoring.
- IJB has reviewed governance structures of the sub-committees and has strengthened these reporting arrangements.

During 2022/23, the Audit Committee considered outputs from previous years internal audit reports including reports in respect of Commissioned Services (77/22) and Sustainability of Primary Care (84/22). For both reports, the Audit Opinion on the level of assurance was of "Limited Assurance" only. A series of action points have been agreed for each Audit and these will be followed up respectively through the IJB's Audit Committee and, for Primary Care as it was a joint Internal Audit, through the NHS Tayside Audit follow up processes. The Committee also monitored progress regarding the 2022/23 audit plan which included assignments for financial management and workforce.

As reported to the Audit Committee in December 2022 a number of IJB governance documents need to be refreshed this includes the Financial Regulations (updated to April 2023), IJB Reserves Policy (updated June 2023) and the IJB Scheme of Delegations which is currently being updated.

The IJB complies with "The Role of the Head of Internal Audit in Public Organisations" (CIPFA publication) and operates in accordance with "Public Sector Internal Audit Standards" (CIPFA publication). The Chief Internal Auditor reports directly to the Audit Committee with the right of access to the Chief Financial Officer, Chief Officer and Chair and members of the IJB Audit Committee on any matter and the right to submit reports directly to the Audit Committee. The annual programme of internal audit work is based on a strategic risk assessment and is approved by the Audit Committee.

## **COVID-19**

In April 2022 the IJB approved that the Partnership no longer maintain a separate COVID-19 remobilisation plan reflecting Scottish Government guidance, but that remaining remobilisation priorities are reflected in the Partnership's strategic and commissioning plans (overarching and care group specific) and individual service plans.

## **Mental Health – Governance Arrangements**

Following the production of the "Independent Inquiry into Mental Health Services in Tayside: Trust and Respect" in February 2020, an action plan, "Listen. Learn. Change", was produced in 2020 and subsequently an associated strategy, "Living Life Well (LLW)". However, at the time, no regional implementation plan was progressed in response to the strategy. In 2021/22, an Independent Assurance and Oversight Group (IAOG) was established by the Scottish Government with a remit to provide independent assurance to the Minister for Mental Wellbeing and Social Care about progress being made in relation to recommendations made in the February 2020 Trust and Respect report. In June 2022 Angus IJB approved a local implementation plan for LLW describing how this would be implemented across Angus in the absence of a regional implementation plan, the report also highlighted how Angus would continue to contribute to regional work and discussions.

The final report of the IAOG regarding Tayside's Mental Health Services was published in January 2023 following a 12-month period of engagement with a range of key stakeholders across Tayside. The publication included as an appendix the Tayside Executive Partners (TEP) collective assessment of their delivery of their leadership promise set out in Living Life Well in the form of a 135-page report with Red Amber Green (RAG) rated progress against the recommendations set out in the Trust and Respect Report.

By March 2023, Angus IJB approved a Tayside Mental Health and Learning Disabilities Improvement Plan prepared in response to six recommendations set out in the January 2023 IAOG final report. The plan is set in the context of a revised governance structure and work to refine the priorities which had been identified in the earlier Living Life Well Strategy and includes clear priorities, outcomes and timelines. This plan will be monitored closely regionally and by Angus IJB during 2023/24.

In March 2020, the Scottish Government confirmed that the operational management for in-patient Mental Health Services in Tayside would transfer from Integration Authorities (Perth and Kinross IJB) to NHS Tayside. It was also confirmed that strategic responsibility for Mental Health services remains with IJBs.

The Mental Health arrangements regarding financial governance do still need to be refined to ensure a shared collective understanding of remits and responsibilities including financial risk sharing. This has been the subject of ongoing discussion during 2022/23 with an anticipation of resolution in the early part of 2023/24. Further, the March 2023 "Tayside Mental Health and Learning Disabilities Improvement Plan" notes that progress needs to be made to develop an improved financial framework and financial recovery actions for Mental Health Services.

## **Adult Protection**

Previous Annual Governance Statements have noted issues with regard to Adult Protection and 2022/23 has seen a continued rise in Adult Protection and Adults with Incapacity work in the Angus HSCP. This increase in activity has created significant demand-capacity challenges in the relevant services, which the Partnership has responded to by providing additional social work and support staff for the care management teams and care at home services.

In 2022/23 Angus was subject to an adult protection inspection. This was led by the Care Inspectorate in collaboration with Healthcare Improvement Scotland and His Majesty's Inspectorate of Constabulary in Scotland, to seek assurance that adults at risk of harm in Scotland are supported and protected by existing national and local adult support and protection arrangements. The results were very positive and the inspection concluded that the partnership's key processes for adult support and protection were very effective and demonstrated major strengths supporting positive experiences and outcomes for adults at risk

of harm. A multi-agency improvement plan has been developed to progress areas of improvement arising from the inspection. This has been approved by the Angus Adult Protection Committee, the Care Inspectorate and the Angus Chief Officer's group. Responsibility for monitoring progress of the actions within the improvement plan has been allocated to the Angus Adult Protection Self Evaluation and Continuous Improvement Subgroup. This is a subgroup of the Angus Adult Protection Committee. This sub group will report on progress to the Angus Adult Protection Committee who will report on progress to the Angus Chief Officers group.

There is further activity in the area of adult protection overseen by the Angus Adult Protection Committee (AAPC) and supported by the Partnership's Clinical Care Practise Governance Group (CCPG) including:

- In February 2022 the IJB noted the ongoing work of the Adult Protection Committee partners to finalise a multi-agency improvement plan in response to the Significant Case Review. A sub group was established in 2022 to progress the improvement plan and report to an External Scrutiny panel. Very good progress has been made across the AHSCP and Angus Council on completion of their actions throughout 2022/23.
- The Adult Protection Improvement Plan arising from a large-scale audit of Partnership Adult Support and Protection activity in November 2021 has been completed.
- Angus Adult Protection Self Evaluation and Continuous Improvement subgroup are responsible for monitoring progress of the learning review oversight document containing all Learning Reviews outstanding actions undertaken by the AAPC. There are 5 current learning reviews (excluding SCR P19) and the oversight contains 4 actions for progression by AHSCP. These are co-ordinated through AHSCP monthly adult protection meetings.
- The AAPC and CCPG both have risk frameworks for adult protection, which are reviewed regularly. Adult Protection reports are submitted to the Tayside Chief Officers Group and to the IJB.

### **Adults With Incapacity**

During 2022/23, Angus Council's Internal Audit team undertook an Internal Audit regarding Adults with Incapacity. This reviewed procedures within Adult Social Care, delivered through Angus Council by Angus Health and Social Care Partnership, to ensure compliance with Office of the Public Guardian and Mental Welfare Commission for Scotland requirements in relation to recording guardianships for Adults with Incapacity. This report was considered at Angus Council's Scrutiny and Audit Committee on 25 April 2023 and it was noted that the outcome of the audit was one of "No Assurance".

It was agreed at the April 2023 Committee, that a full review of our Guardianship process is required. This is underway and an action plan has been developed to support this. All actions are progressing with the aim to have the full review completed by October 2023. This item will be followed up through the IJB's Audit Committee alongside feedback to Angus Council.

### **Income Management**

During 2019/20 the IJB, in conjunction with Angus Council, initiated a review of its overall income management processes to seek to address some emerging operational issues. This work was initially delayed due to COVID-19 issues and resource to address this issue were only identified from early 2021. In June 2021, the IJB's Internal Auditors provided a consultancy-type report on this issue. Since then a working group has met regularly to progress improvements plans. However the momentum has not been as expected with progress being limited during 2022/23. Since April 2023, a detailed improvement plan has been agreed and this plan is being implemented at pace.

### **Development Issues**

The IJB is required to review the effectiveness of its governance structures regularly. The IJB acknowledges that as an increasingly mature organisation, albeit working in a complicated environment and having had to withstand the pressures of COVID-19 from March 2020, further development and review of governance structures is still required.

In recent years, the IJB's Annual Governance Statement has noted a number of governance "Areas for Improvement". An update is provided as follows: –

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Area for Improvement	Lead Officer	Status in 2022/23	Proposals for 2023/24
Development of Large hospital Set Aside arrangements in conjunction with NHS Tayside	Chief Officer/Chief Finance Officer	Last report to IJB was in June 2021 with progress delayed due to COVID-19. Discussions continue to progress with NHS Tayside regarding alternative way of considering activity associated with these resources and the IJB has reached preliminary agreement with NHS Tayside regarding a process to manage changes in the volumes of services used. This will be developed in 2023/24.	Updates to be provided to IJB Board re both current status and future developments. Continue to progress discussion with NHS Tayside including work through Planned Care and Unscheduled Care Boards. It is anticipated this will be the subject of reports to the IJB in 2023/24.
Development of improved Lead Partner Services arrangements in conjunction with neighbouring IJBs	Chief Officer/Chief Finance Officer	Work has progressed with governance reporting.	Update to be provided to Audit Committee on the development of consolidated Finance reporting.
Review Corporate Support Arrangements	Chief Officer	During 2022/23, the IJB continued to note that these arrangements required review. It was also noted that the updating of the IJB's Integration Scheme could have been a vehicle for resolving these issues but that this did not happen.	The IJB will review this issue and consider practicalities of making improvements and managing within current arrangements.
Inpatient Mental Health Services	Chief Officer/Chief Finance Officer	Ongoing complex discussions regarding the financial pressures within the service with the 2022/23 position only being agreed with NHS Tayside in May 2023.	Update to be provided to the IJB Board on the future financial risk sharing arrangements on Inpatient Mental Health Services
Develop roles and responsibilities against the Civil Contingencies Act	Chief Officer	Good Progress with services reviewing their business continuity plans against a new integrated planning framework. However, there has been limited progress with the development and delivery of an integrated emergency planning and response framework due to capacity.	The IJB will ensure capacity is in place to address remaining requirements and updates to be reported to the IJB Audit Committee.
Review of the Information Governance Strategy	Chief Officer	Capacity to develop proposals to complete this review has been limited.	The IJB has ensured capacity is in place to close out remaining actions and updates to be reported to the IJB Audit Committee.
Review strategic risk relating to Sustainability of Primary Care Services	Chief Officer	Following the finalisation of an Internal Audit report, progress was made in terms of responding to a series of agreed action points regarding governance and addressing sustainability issues.	The IJB will continue to lead and contribute to regional improvements while continuing to progress local improvements. Updates to be reported regularly as part of the internal audit follow up process.

Some of the above issues have been noted in previous Annual Governance Statements, others are more recent. The resolution of these issues remains characterised by their complexity and the requirement, for some of them, to work with other parties. The issue of competing demands and varying views across parties does remain a challenge. These issues are highlighted regularly to the IJB and the Audit Committee.

### Review of Effectiveness

As noted, the IJB has responsibility for reviewing the effectiveness of its governance structures regularly. Throughout 2022/23 governance updates have been regularly provided to the IJB's Audit Committee.

At the end of 2022/23, the IJB's Chief Internal Auditor reviewed the IJB's governance arrangements and in the IJB's 2022/23 Annual Internal Audit report notes:–

- *As Chief Internal Auditor, this Annual Internal Audit Report to the IJB provides my opinion on the IJB's internal control framework for the financial year 2022/23.*
- *Based on the work undertaken, I have concluded that reliance can be placed on the IJB's governance arrangements and systems of internal controls for 2022/23.*
- *In addition, I have not advised management of any concerns around the following:*
  - *Consistency of the Governance Statement with information that we are aware of from our work;*
  - *The format and content of the Governance Statement in relation to the relevant guidance;*
  - *The disclosure of all relevant issues.*

While there remain a number of challenging areas of governance (described above in "Development Issues" section), it is the opinion of the IJB Chairperson and Chief Officer that at 31 March 2023, reasonable assurance can be placed upon the adequacy and effectiveness of the IJB's governance arrangements. We consider that the internal control environment provides reasonable and objective assurance that any significant risks impacting on the IJB's principal objectives will be identified and actions taken to avoid or mitigate their impact. Additionally, systems are in place to regularly review and improve the internal control environment.

Councillor Julie Bell	Gail Smith
Chairperson	Chief Officer
tbc	tbc