

**AGENDA ITEM NO 3 (C)**

MINUTE of MEETING of the **ANGUS HEALTH AND SOCIAL CARE INTEGRATION JOINT BOARD AUDIT COMMITTEE** held in the Town and County Hall, Forfar on Wednesday 21 June 2023 at 11.30am.

**Present: Members of Audit Committee**

ANDREW JACK, Service User Representative  
KATHRYN LINDSAY, Chief Social Work Officer  
PETER DRURY, Non-Executive Board Member, NHS Tayside  
ELAINE HENRY, Registered Medical Practitioner, NHS Tayside  
Councillor GEORGE MEECHAN, Angus Council

**Advisory Officers**

SANDY BERRY, Chief Finance Officer  
GAIL SMITH, Chief Officer  
ALISON WATSON, Service Leader, Legal and Democratic Services, Angus Council

**Also in Attendance**

TONY GASKIN, Chief Internal Auditor, Fife, Tayside and Forth Valley Audit and Management Services (FTF)  
MARK LAIRD, Senior Audit Manager, Audit Scotland

ANDREW JACK, in the Chair

**1. APOLOGIES**

Apologies for absence were intimated on behalf of Chris Boyle, Staff Representative, Angus Council and Hayley Mearns, Third Sector Representative.

**2. DECLARATIONS OF INTEREST and STATEMENTS OF TRANSPARENCY**

There were no declarations of interest or statements of transparency made.

**3. MINUTES INCLUDING ACTION LOG**

**(a) Previous Meeting**

The minute of meeting of this Committee of 26 April 2023 was approved as a correct record.

**(b) Audit Committee Action Points**

The Integration Joint Board Audit Committee agreed to note the action log of 26 April 2023.

The Chief Finance Officer responded to questions in relation to the June 2023 amber status and in response to Peter Drury, Non-Executive Board Member query, he proposed reviewing outstanding actions regarding Audit Committee development (April 2019) at the October 2023 Audit Committee development session.

**4. INTERNAL AUDIT PLAN 2023/24**

Members noted that the IJB and IJB's Internal Auditors had agreed priorities for the 2022/23 Internal Audit Plan, to address annual Lead Auditor and governance functions and to progress

two discretionary audits regarding Clinical Care and Professional Governance and Lead Partner Services. Firm plans including assignment planning and resourcing impacts were currently being refined. A finalised plan would be submitted to the August 2023 Audit Committee meeting.

*Elaine Henry, Registered Medical Practitioner joined the meeting during the following item.*

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

With reference to Article 6 of the minute of meeting of this Committee of 26 April 2023, there was submitted Report No IJB 43/23 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; AN03/21 Annual Internal Audit Report 2020/21; AN46/22 Annual Internal Audit Report 2021/22; and AN06/22 Commissioned Services.

The Chief Finance Officer provided a brief overview of progress including an update in terms of AN05/21- Charging for Services and AN05/22 – Sustainability of Primary Care Services actions.

Councillor Meechan raised questions in relation to AN05/21 and in response, the Chief Finance Officer provided an update and agreed to share the action plan in due course.

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

## **6. 2022/23 AND 2023/24 INTERNAL AUDIT PLANS – PROGRESS REPORT**

With reference to Article 5 of the minute of meeting of this Committee of 26 April 2023, there was submitted Report No IJB 44/23 by the Chief Internal Auditor to brief members on the substantive completion of the 2022/23 Internal Audit plan as well as progress against the 2023/24 plan.

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 Angus IJB, for information.

Appendix 1 of the Report outlined the Internal Audit Progress Report for 2022/23 and 2023/24.

The Chief Internal Auditor provided a brief summary of progress highlighting that the AN04-23 Workforce and AN01-24 Audit Planning audits were on target for presenting to the August IJB Audit Committee.

The Integration Joint Board Audit Committee agreed to note the work undertaken in relation to the 2022/23 and 2023/24 Internal Audit plans.

## **7. GOVERNANCE ACTIONS PLAN**

With reference to Article 7 of the minute of meeting of this Committee of 26 April 2023, there was submitted Report No IJB 45/23 by the Chief Finance Officer providing an update to members in relation 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. The IJB had previously committed to improving information sharing regarding Lead Partner service with an update outlined in Appendix 2 to the Report.

The Chief Finance Officer provided a brief overview and in terms of the 20218/19 Ministerial Strategic Groups (MSG) review of Integration action point highlighted that action 2 was now on

track, and also referred to the commitment to improving information sharing regarding Lead Partner Services as outlined in Appendix 2 to the Report.

The Chief Social Work Officer welcomed the progress being made in terms of Lead Partner service arrangements as outlined in action item 1 within the Appendix to the Report.

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

## **8. RISK MANAGEMENT ANNUAL REPORT 2022/2023**

With reference to Article 8 of the minute of meeting of this Committee of 22 June 2022, there was submitted Report No IJB 46/23 by the Chief Officer providing members with the annual summary on the risk management activity within the Partnership during 2022/23.

The Report indicated that the Angus Integration Joint Board Risk Register outlined in Appendix 1 to the Report was maintained, updated and reported in line with the IJB'S Risk Management Strategy. Section 3 of the Report detailed an update in relation to the highest risks, reduced risks and the new risk added to the Risk Register during 2022/23.

The Chief Officer provided a brief overview and highlighted the key areas of the Report, thereafter, the Chair and the Registered Medical Practitioner both welcomed the comprehensive and presentation format of the Report

The Chief Internal Auditor provided a brief summary in terms of monitoring and managing risks, and highlighted that whilst the Report provided the necessary assurance, he suggested that future iterations of the Report should be reviewed to consider clarifying the "assurance" position more clearly.

In response, the Chief Officer acknowledged the feedback received and intimated that the Report would be reviewed accordingly.

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 the Internal Audit Review of Risk Management;
- (iii) to accept the new and emerging strategic risks;
- (iv) to acknowledge that IJB/Audit committee members had attended risk appetite development sessions; and noted that the IJB Risk Appetite had been agreed on 26 April 2023; and
- (v) to acknowledge that work was progressing in relation to the application of Risk Appetite.

## **9. DIRECTIONS UPDATE**

With reference to Article 14 of the minute of meeting of 7 December 2022, there was submitted Report No IJB 47/22 by the Chief Officer outlining a summary of the Directions issued by the IJB from January 2022 to April 2023.

Appendix 1 to the Report outlined a summary of the Directions issued by the IJB from January 2022 to April 2023 and their status. The Report does not provide detail of the Directions content or commentary on their impacts, as it was considered that this level of oversight was facilitated through the normal management arrangements of the IJB and Angus Health and Social Care Partnership.

The Chief Officer provided an brief overview of the Report.

The Chair welcomed the format of the Report and raised whether there could be further detail included within the status column of the appendix, and in response, the Chief Internal Auditor intimated that one of the difficulties in governance, was to ensure that standing committees did not become operational and suggested that the Risk section of the Report be reviewed to include further assurances without providing unnecessary operation detail.

The Chief Officer agreed to review the Risk section for future reporting.

The Integration Joint Board Audit Committee agreed:-

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

## **10. 2022/23 ANNUAL INTERNAL AUDIT REPORT**

With reference to Article 9 of the minute of meeting of this Committee of 22 June 2022, there was submitted Report No IJB 48/23 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 2022/23 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 key areas of the Report and highlighted that the management responses had been prepared to ensure that these actions were manageable and delivered in accordance with the expected completion timelines.

The Chief Internal Auditor emphasised that the current environment was more challenging and volatile than experienced before and stressed that the delivery of the commissioning plan and associated plans, particularly including transformation plan, would be fundamental to the successful delivery of the strategic commissioning plan and to also ensure sustainability of services. In referring to the importance of good governance structures and risk management, he also highlighted the key areas of the Report.

In reiterating the financially challenging environments both nationally and locally and the potential impact for IJBs particularly around future overspends, the Chief Internal Auditor also acknowledged the good work and the positive Report, concluding that reliance could be placed on the IJB's governance arrangement and systems of internal control for 2022/23.

The Chief Social Work Officer referred to Section 2, B1 Clinical, point 6 of the Report related to Adults with Incapacity and sought clarity in relation to the reference made to conflicting evidence. The Chief Internal Auditor clarified that this related to the positive findings of the Joint Adult Protection Inspection and the challenges identified in the internal audit. In response, the Chief Social Work Officer clarified that whilst there are some interfaces between Adult Protection and Adults with Incapacity, the Joint Inspection of Adult Support and Protection in Angus did not specifically consider the detail of practice and process related to Adults with Incapacity systems and advised that, in her view, the evidence was not in conflict and the areas of practice should not be conflated.

In providing context around these as two distinct (albeit interrelated) areas of social work practice, the Chief Social Work Officer clarified that in terms of reporting accountability and assurance to the Integration Joint Board and the delivery of adult protection social work in Angus, the Integration Joint Board should expect continued assurance and detailed reports to

be brought by the Health and Social Care Partnership leadership team highlighting their single agency improvement progress and compliance with practice and legal requirements as appropriate. The Clinical Care Governance mechanisms provide the routine conduit for such reporting.

Such internal assurance regarding practice, volume and demand would then be provided onward to the Adult Protection Committee, with more frequent reporting to the Integration Joint Board by the Adult Protection Committee itself not required unless determined as necessary by the Independent Convener of that multi agency Committee. Disparity around the assurance reporting referred to in the Audit report may therefore be best addressed by the Board instructing the Health and Social Care Partnership leadership team to bring forward reports on this area of delivery. The Chief Social Work Officer envisaged that operational reporting in terms of both health and social care elements would be routinely reported as outlined in Governance Arrangements Point 17 of the Report, supplemented by the wider protecting people partnership's scrutiny and oversight delivered through the Adult Protection Committee.

Having heard from the Chief Internal Auditor, the Chief Social Work Officer thereafter offered to have post meeting discussions in order to explain further the role and remit of the Adult Protection Committee in overseeing the multi-agency system, and the intersect with each individual agency's responsibility to understand and monitor their own obligations and contributions to both the Adult Protection Committee and internal assurance processes.

In response, the Chief Officer intimated that this would be reviewed with neighbouring Health and Social Care Partnerships given that each authority had their own adult support and protection committees and that to avoid duplication of efforts, emphasised that it would not be appropriate to have three separate systems in place.

Having heard from the Chief Finance Officer in terms of discussion and next steps, the Chief Social Work Officer intimated that she was content for the minute to reflect discussions.

The Integration Joint Board Audit Committee agreed:-

- (i) having reviewed, to note the Report in context of evaluating the internal control environment for 2022/23; and
- (ii) to note and approve the management responses to the Internal Audit Report recommendations as documented within the Report.

## **11. 2022/23 ANGUS INTEGRATION JOINT BOARD ANNUAL GOVERNANCE STATEMENT**

With reference to Article 10 of the minute of meeting of this Committee of 22 June 2022, there was submitted Report No IJB 49/23 by the Chief Finance Officer setting out the Integration Joint Board's (IJB) draft Annual Governance Statement for financial year 2022/23. If approved, the Annual Governance Statement would then be formally included in the IJB's 2022/23 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 remained outstanding, 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 were all factors in progress to resolve these issues. The IJB continued to receive regular updates on the most important outstanding governance actions.

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 including the Review of Corporate Support Arrangements and Review of Effectiveness.

The Registered Medical Practitioner and Chief Social Work Officer acknowledged and welcomed the significant update and proposals for 2023/24 in relation to Large Hospital Set Aside arrangements. The Chief Social Work Officer in reference to Adult Protection section of the Report highlighted the significant work, investment and positive improvements made in terms of adult support and protection.

The Integration Joint Board Audit Committee agreed:-

- (i) to approve the IJB's 2022/23 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 2022/23, 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.

## **12. 2022/2023 UNAUDITED ANNUAL ACCOUNTS**

With reference to Article 11 of the minute of meeting of this Committee of 22 June 2022, there was submitted Report No IJB 50/23 by the Chief Finance Officer setting out the Integration Joint Board's (IJB) unaudited annual accounts for financial year 2022/23.

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. Appendix 1 to the Report outlined the Integration Joint Board's Unaudited Annual Accounts for 2022/23.

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 at this meeting, and an extract of the Integration Joint Board's Annual Performance Report. In agreement with the IJB's External Auditors, performance information would be updated during the audit period to reflect the receipt of any finalised 2022/23 performance information.

The Chief Finance Officer expressed thanks to Jane Moug, Partnership Finance Manager for the work involved in the preparation of the Report, and thereafter provided a brief overview of the Report including the change in the reserves position.

Mark Laird, Senior Audit Manager, Audit Scotland provided an update and confirmed the agreement that performance information would be updated during the audit period.

In response to Councillor Meechan's query related to the purple RAG status, the Chief Finance Officer intimated that he would require to clarify and would revert back following the meeting.

The Integration Joint Board Audit Committee agreed:-

- (i) to note the background regarding the compilation of the IJB Unaudited Accounts for 2022/23; and
- (ii) having reviewed, to confirm the submission of the Unaudited Annual Accounts to the IJB's External Auditors.

### **13. UPDATE TO IJB RESERVES POLICY**

With reference to Article 5 of the minute of meeting of the Health and Social Care Integration Joint Board of 30 October 2019, there was submitted Report No IJB 51/23 by the Chief Finance Officer setting out the Integration Joint Board's (IJB) unaudited annual accounts for financial year 2022/23.

The Report indicated that the IJB Reserves Policy was last reviewed in October 2019 (Report IJB 60/19 refers). At the April 2023 IJB, the Board agreed to devolve authority to the IJB's Audit Committee to review and approve updates to the IJB's Financial Regulations and the IJB's Reserves Policy.

The main changes proposed compared to the 2019 Reserves Policy were outlined in Section 3 of the Report. Appendices 1 and 2 outlined the proposed Reserves Policy and previous Reserves Policy (with tracked changes).

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

- (i) to approve the updated IJB Reserves Policy; and
- (ii) to note that the Reserves Policy would be reviewed by December 2026.

### **14. INTERNAL AUDIT REPORT – FINANCIAL MANAGEMENT (AN05/23)**

There was submitted Report No IJB 52/23 by the Chief Officer updating members on the output of the Internal Audit Report regarding Financial Management.

The Report indicated that the 2022/23 Internal Audit plan included a review of the IJB's Financial Management. The final version of the Report was signed off by the Chief Finance Officer and the IJB's Internal Auditors in June 2023. The overall Audit Opinion of the level of assurance was of "Reasonable Assurance". The IJB's Internal Auditors had made three recommendations.

The Chief Finance Officer provided a brief update and also highlighted that management response/actions had also been included in relation to the three Internal Audit recommendations as outlined in the Report.

The Chief Internal Auditor in highlighting the positive Report, also provided a brief overview of the findings of the audit recommendations.

The Integration Joint Board Audit Committee agreed:-

- (i) to note the findings of the output of the Internal Audit into Financial Management; and
- (ii) to request that the follow up actions as described in the "Management Responses" were monitored through the regular "Internal Audit – Follow Up" Reports to the Audit Committee.

### **15. DATE OF NEXT MEETING**

The Committee noted that the next hybrid meeting of the Angus Health and Social Care Integration Joint Board Audit Committee will be held on Wednesday 23 August 2023 at 11.30am in the Town and County Hall, Forfar.

### **VALEDICTORY**

The Chair highlighted that this was the last meeting for Tony Gaskin, Chief Internal Auditor, and in acknowledging his work and regular attendance at meeting of the Audit Committee, the Chair intimated that he was of the opinion that the Committee had benefitted from Tony's considerable

experience and knowledge, over the years. Thereafter, the Chair on behalf of the Committee, thanked Tony for his contributions and wished him a long, happy and fulfilling retirement.

The Chair also highlighted that this was the last meeting for Karen Maillie, Committee Officer, before taking up a new role in Angus Council. The Chair on behalf of the Committee expressed gratitude for the work undertaken in regards to the Audit Committee and in the smooth running of meetings and proceedings, particularly evident during the transition of meeting formats. The Chair also personally thanked Karen for her support during his tenure, and on behalf of the Committee wished Karen well for the future.

The Chief Officer echoed the sentiments of the Chair and on behalf of the Committee paid tribute to both Tony and Karen and also wished them well for the future.