



Minutes

Audit and Risk Committee

10.00am, Friday 16 November 2018

Dean of Guild Court Room, City Chambers, Edinburgh

Present:

Councillor Susan Webber (Chair), Christine Farquhar, Angus McCann (substituting Mike Ash) and Ella Simpson.

Officers: Laura Calder (Internal Audit), Jamie Macrae (Committee Services, CEC), Lesley Newdall (Chief Internal Auditor), Moira Pringle (Chief Finance Officer), Grace Scanlin (Scott-Moncrieff) and Cathy Wilson (CEC – ESHCP).

Apologies: Mike Ash and Richard Williams.

1. Minutes

Decision

To approve the minute of 7 September 2018 as a correct record.

2. Outstanding Actions

Decision

- 1) To agree to close Actions 2 and 3.
- 2) To otherwise note the outstanding actions.

(Reference – Outstanding Actions, submitted.)

3. Work Programme

Decision

To note the Work Programme and upcoming reports.

(Reference – Audit and Risk Committee Work Programme, submitted.)

4. Internal Audit Update for the period 1 April to 21 October 2018

Details were provided of progress with Internal Audit assurance delivered on behalf of the Edinburgh Integration Joint Board by the Internal Audit teams of the Joint Board's partners, the City of Edinburgh Council and NHS Lothian, during the period 1 April to 21 October 2018. The Internal Audit plans for the Council and NHS Lothian were submitted to enable the Committee to identify audits that would be of interest to the Joint Board. These would be referred to the IJB Audit and Risk Committee following scrutiny by the relevant partner governance forums (the Council's Governance, Risk, and Best Value Committee and the NHS Lothian Audit and Risk Committee).

Decision

- 1) To note progress with delivery of the EIJB 2018/19 IA plan.
- 2) To request referral of the following City of Edinburgh Council and NHS audits to the EIJB Audit and Risk Committee:

City of Edinburgh Council: Payments and Charges; Transformation; Emergency Prioritisation and Complaints; System Access Controls; CGI Change Management; Portfolio Governance Framework; Planning and s75 Developer Contributions; Quality Governance and Regulation; Compliance with IR35 and Right to Work requirements; Supplier Management Framework; Cyber Security.

NHS Lothian: Winter Planning; Unscheduled Care; GP Sustainability; Financial Sustainability; Governance; Quality Strategy; Risk Management; Cyber Security; Project Management
- 3) To note the lack of progress with the implementation of agreed management actions to support closure of EIJB Internal Audit findings raised.
- 4) To note that review of the pan-Lothian principles that governed the working relationships between the four Lothian IJB audit and risk committees and the NHSL Audit and Risk Committee was currently underway.

Declaration of interests

Councillor Webber declared a financial interest in this item as a supplier to NHS Lothian, particularly in relation to the Quality Strategy and Financial Sustainability audits in the NHSL plan.

Christine Farquhar declared a non-financial interest in this item as the ex-Chair of a third sector organisation, as a company director/trustee of VOCAL of VOCAL and as the guardian of an individual in receipt of Direct Payments.

(Reference – report by the Chief Internal Auditor, submitted.)

5. IJB Records Management Plan

The Edinburgh Integration Joint Board's draft Records Management Plan (RMP), prepared in compliance with the requirements of the Public Records (Scotland) Act 2011, was submitted. The RMP was based on the model plan and guidance published by the Keeper of the Records of Scotland.

Decision

- 1) To agree that the report would be submitted to the Edinburgh Integration Joint Board for decision.
- 2) To note the Committee's concern about the potential conflict of interest between the role of the Chief Risk Officer/Chief Finance Officer and the Keeper of Records.

Declaration of interests

Christine Farquhar declared a non-financial interest in this item as the ex-Chair of a third sector organisation, as a company director/trustee of VOCAL of VOCAL and as the guardian of an individual in receipt of Direct Payments.

(Reference – report by Chief Officer, Edinburgh Health and Social Care Partnership, submitted.)

6. IJB Risk Register

The Integration Joint Board risk register was submitted for consideration and to update the committee on the processes which were being established to manage, mitigate and escalate risks. The previous iteration of the risk register had been presented in June 2018. The current version captured updates from risk owners.

Decision

- 1) To note the continued development of mitigating controls for IJB risks.
- 2) To note the management actions identified against these current risks.
- 3) To note the introduction of the IJB risk register action plan.

- 4) To agree that two additional risks would be added to the Risk Register, one on the Regulatory Environment and one on senior management conflicts of interest.
- 5) To recommend that a future IJB Development Session should be dedicated to risk.

Declaration of interests

Christine Farquhar declared a non-financial interest in this item as the ex-Chair of a third sector organisation, as a company director/trustee of VOCAL of VOCAL and as the guardian of an individual in receipt of Direct Payments.

(References – Edinburgh Integration Joint Board, 15 June 2018 (item 5); report by the Chief Finance Officer, submitted.)

7. Overdue Partnership Internal Audit Findings

An update was provided on overdue Internal Audit findings for the Edinburgh Health and Social Care Partnership, following the Edinburgh Health and Social Care Partnership Internal Audit Update and Assurance Arrangements Report that was submitted to the City of Edinburgh Council's Governance, Risk and Best Value Committee on 30 October 2018. This report outlined activity to address the outstanding actions and set out affirmative actions that were underway to address internal audit risk management challenges in the Partnership.

Decision

- 1) To note the 30 October 2018 report that was submitted to the Council's Governance, Risk and Best Value Committee.
- 2) To note, with concern, the current status update on overdue Health and Social Care Partnership Internal Audit findings.
- 3) To note that overdue IJB Internal Audit findings had been submitted in a separate report by the Chief Internal Auditor.
- 4) To agree that the Chair of the Audit and Risk Committee would write to the Chief Officer to express concern about the lack of progress with these findings.
- 5) To agree that risk owners would be invited to the March 2019 meeting of Committee.

Declaration of interests

Christine Farquhar declared a non-financial interest in this item as the ex-Chair of a third sector organisation, as a company director/trustee of VOCAL of VOCAL and as the guardian of an individual in receipt of Direct Payments.

(References – Governance, Risk and Best Value Committee, 30 October 2018 (item 7); report by the Chief Officer, Edinburgh Health and Social Care Partnership, submitted.)

8. Date of next meeting

Decision

To agree that the next meeting would be held at 9:30am on Friday 8 March 2018.