

3. Audit and Assurance Committee - Terms of Reference

The Committee's draft Terms of Reference were presented.

The Committee considered each section and a number of changes were proposed. Discussion took place regarding the 'purpose and function' section and the importance of the development of a clear structure setting out how the Committee would gain assurance from the IJB and other committees.

Members also discussed the scope of internal audit exercises and the influence, if any, the Committee could assert with regard to requesting that specific areas were included. It was advised that the Chief Internal Auditor was required to be independent in determining the scope of audits but that the Committee could approve and oversee the audit programme.

Decision

- 1) To agree that the Committee Terms of Reference should be amended as follows:
 - 2.1c, amend to read "approve and oversee the annual audit programme..."
 - 3.1b, amend to read "... when required, having due cognisance of..."
 - 3.1b, amend to read "... invite any employee to provide information by requiring their attendance at a meeting of the Committee..."
 - 3.1c, amend to read "...to invite individuals and authorities from outside the Partnership... to attend if it considers this necessary..."
 - 4.13, remove 'including the Chair'
 - 4.8, remove the reference to 'Office of the Chief Officer'
 - 4.12, insert 'at least annually'
 - 5.1.5, remove 'and receive the minutes'
 - Replace references to 'Head of Internal Audit Opinion' with 'Chief Internal Auditor'
 - 5.1.3d, remove 'on a sample basis'
 - To remove the appendix.
- 2) To agree that the Terms of Reference should be included as a standing item on Committee agendas for one year.
- 3) To note that the suggested changes to the Terms of Reference required to be approved by the Board.

(Reference – Terms of Reference, submitted.)

4. Work Programme

The work programme set out timeframes for upcoming reports relating to the Committee's areas of responsibility.

Decision

- 1) To note the work programme.
- 2) To update the work programme to reflect that the annual accounts were not submitted in August 2019.

(Reference – Work Programme, submitted.)

5. Internal Audit Update for Period 16 August to 22 October 2019

Details were provided of the progress of Internal Audit (IA) assurance activity on behalf of the IJB performed by the IJB's partners, the City of Edinburgh Council and NHS Lothian IA teams.

Appended to the report were two IA terms of reference which the Committee requested sight of at its previous meeting.

There was a total of 24 open IA findings, seven of which were overdue. The Chief Internal Auditor explained that the overdue findings included previously closed findings which were reopened to ensure they were effectively completed. The Committee requested that the Chief Officer attended future meetings to discuss the actions being taken to address IA findings.

The Committee also noted that it would be beneficial for risk owners to attend meetings in order that they could answer members' questions and provide further information.

Decision

- 1) To note progress with delivery of the EIJB 2019/20 IA plan.
- 2) To note the content of the two EIJB terms of reference provided to the Committee for information.
- 3) To revisit the IA recommendation made in August 2019 to review the IA annual plans for the Council and NHSL to determine which audits were relevant for referral to the EIJB Audit and Assurance committee and would potentially inform the 2019/20 IA annual opinion.
- 4) To note progress with implementation of agreed management actions to support closure of EIJB IA findings raised.
- 5) To note progress with ongoing discussions with NHSL in relation to Committee engagement Principles and the IA assurance approach.
- 6) To refer the report to the City of Edinburgh Council Governance, Risk, and Best Value Committee for its information as a number of the open EIJB IA findings related to operational service delivery for the Health and Social Care Partnership by the Council.
- 7) To request that the Chief Officer attended future meetings to discuss required actions.

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

6. Risk Register

The current IJB risk register and an update on the processes which were being established to manage, mitigate and escalate risks were presented.

The Committee discussed risks 1 and 3 and the similarities between these and requested that these were amended to more clearly reflect the nature and impact of the risks. Comments were also made in relation to the benefit of specific directions to ensure effective controls were in place to provide a high level of assurance to the Committee that the risks were being managed.

The Committee agreed that all risks should be reviewed prior to the next meeting to ensure effective controls were in place, particularly those rated 'high' or 'very high'.

It was also suggested that officers looked to other similar organisations for examples of best practice.

Decision

- 1) To note the continued development of the IJB risk register and associated action plan.
- 2) To amend the risk owner of Risk 7 to the Chief Officer and the risk contributor to the Chair of the IJB.
- 3) To request that the wording of risks 1 and 3 were simplified and made clearer.
- 4) To request that additional columns were added to the summary page to show the current and target risk scores and the risk level.
- 5) To note that Martin Hill would provide an example of another organisation's register to share best practice.
- 6) To agree that the mitigating controls for all risks should be reviewed and submitted to the next meeting, focussing on those rated 'high' or 'very high' given the timescale.

(Reference – report by the Chief Officer, submitted.)

7. IJB Records Management Plan

The Committee considered a report setting out the Keeper of the Records of Scotland's interim report to the IJB's Record Management Plan (RMP) December 2018 submission.

The IJB was required to prepare, implement and keep under review a RMP. A draft was submitted in December 2018. In order to gain agreement, the Keeper

required the IJB to revise its original draft with a corresponding improvement plan for re-submission in 2020.

Decision

- 1) To note the report.
- 2) To note the Keeper's interim report.
- 3) To approve the proposed IJB Business Classification Scheme, attached to the report at Appendix 2.
- 4) To approve the proposed Records Retention Rules for the IJB, attached to the report at Appendix 3.
- 5) To request that the Council amended its own relevant records management policies to incorporate 'IJB records'.
- 6) To request that both the Council and NHS Lothian agreed on regular reporting arrangements for progress updates on their respective RMPs' Improvement Model Plans.
- 7) To agree to formally reply to the National Records of Scotland Keeper with the IJB's intention to provide a revised RMP and improvement model plan by February 2020.
- 8) To continue to oversee and regularly monitor the RMP's ongoing development.

(Reference – report by Chief Finance Officer, submitted.)

8. Business Resilience Arrangements and Planning – Update

Details were provided on the Health and Social Care Partnership's resilience and business continuity management arrangements.

The report included an update on the Partnership's key resilience activities in the last year, business resilience arrangements currently in place and information on some of the developments and initiatives that were planned for the next year.

Decision

- 1) To note the progress made on the resilience and business continuity management arrangements.
- 2) To agree that the report should be submitted annually.

(Reference – report by the Chief Officer, submitted.)

9. Review of Training Session

The Chair thanked the officers who presented at a recent training session and the Committee agreed that it was a helpful and worthwhile discussion.

10. Date of Next Meeting

The next meeting of the Committee would be held on Friday 14 February 2020.