



# Minutes

## IJB Audit and Assurance Committee

**3.00pm, Wednesday 15 March 2020**

Waverley Court, Edinburgh

**Present:**

Councillor Phil Doggart (Chair), Andrew Coull, Councillor George Gordon, Kirsten Hey, Martin Hill and Peter Murray.

**Officers:** Helen Elder (Executive Support Assistant), Jamie Macrae (Clerk), Nicola McKenzie (Scott Moncrieff), Lesley Newdall (Chief Internal Auditor) and Moira Pringle (Chief Finance Officer).

**Apologies:** Nick Bennett (Scott-Moncrieff)

### 1. Minutes

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**Decision**

To approve the minute of the meeting held on 8 November 2019 as a correct record.

### 2. Annual Cycle of Business

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**Decision**

To note the Annual Cycle of Business.

### 3. Outstanding Actions

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#### Decision

- 1) To agree to close Action 3 – Audit and Assurance Committee – Terms of Reference.
- 2) To otherwise note the outstanding actions.

(Reference – Outstanding Actions, submitted.)

### 4. Progress with Board Assurance Framework

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An update was provided on the board assurance framework, including a proposal for levels of assurance and a suggested mechanism for reviewing the work of the Integration Joint Board committees.

The proposed approach to levels of assurance was based on those currently operating at NHS Lothian. Members of the committee were comfortable that the approach functioned well and noted that it could be reviewed as it was implemented.

The mechanism for reviewing committee effectiveness would involve each committee submitting an annual report, which would review the extent to which it had received the assurance it required to fulfil its remit and feedback from committee members to give an indication of committee effectiveness.

#### Decision

- 1) To agree the proposed approach to including assurance levels in IJB reports and that the Chief Finance Officer would report to the next meeting of the Joint Board on this.
- 2) To agree the suggested mechanism for reviewing the work of the committees and that the Chair would write to the IJB Committee Chairs outlining the committee's decision.

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

### 5. Local Government in Scotland - Financial Overview 2018-2019

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The committee discussed the financial overview 2018/19 report prepared by Audit Scotland and its relevance to the Integration Joint Board. This followed previous discussion at the Clinical and Care Governance Committee. It was noted that consideration should be given to covering some of the topics in the report at a future Development Session.

#### Decision

- 1) To note the report.

- 2) To agree that the report would be circulated by email to the Joint Board for information.

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

## 6. External Audit Plan 2019-2020

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The External Audit Plan for 2019-20 was presented. Details were provided of the work carried out, which included an audit of, and provision of a specified audit opinion on, the 2019/20 annual accounts, consideration and reporting on the IJB's arrangements on the four audit dimensions (financial sustainability, financial management, governance and transparency, and value for money) and other work requested by Audit Scotland, including the contribution to performance audits (including overview reports, performance audit reports, and impact reports).

### **Decision**

To note the report.

(Reference – report by Scott-Moncrieff, submitted.)

## 7. Internal Audit Update – 22 October 2019 to 13 February 2020

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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.

Delivery of the 2019/20 Internal Audit Plan approved by the Audit and Risk Committee in March 2019 was progressing, with two audits now complete and planning was in progress for the remaining two reviews.

Committee had requested at the August 2019 meeting sight of IA terms of reference for the four audits included in the 2019/20 IA annual plan. Two terms of reference had already been provided, and further details on the scope of the remaining two audits were submitted to the meeting.

As at 13 February 2020, the EIJB had a total of 21 open Internal Audit findings. Of the 21 open findings, 13 were overdue, reflecting an increase of six from the position reported as at 22 October 2019.

### **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 note progress with implementation of agreed management actions to support closure of EIJB IA findings raised.
- 4) To note progress with the refresh of the engagement Principles and the IA assurance approach.
- 5) To refer this report to the City of Edinburgh Council's Governance, Risk, and Best Value Committee for their 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.

- 6) To note that the issue of engagement principles would be raised at the next Integrated Care Forum.
- 7) To agree that the Chair and Chief Finance Officer would discuss the outstanding management actions with the Chief Officer and that an email would be sent to the Joint Board on behalf of the Committee to raise concerns about the current position.

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

## **8. Internal Audit Annual Plan 2020-21**

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The draft Edinburgh Integration Joint Board (EIJB) Internal Audit (IA) plan and supporting risk assessment for the period 1 April 2020 to 31 March 2021 was presented to the Committee for approval. IA's opinion was that the four reviews included in the draft plan would provide the appropriate level of assurance on the control frameworks designed to manage the EIJB's most significant risks and that the plan could be delivered by IA resources currently available from the EIJB's two partners, the City of Edinburgh Council and NHS Lothian.

### **Decision**

- 1) To approve the draft 2020/21 Internal Audit plan and supporting risk assessment.
- 2) To note the costs (£60K) associated with delivery of IA services by the Council to the EIJB, as outlined in section 22 of the report.
- 3) To refer the approved EIJB IA plan to both the Council's Governance, Risk and Best Value Committee, and the NHS Lothian Audit and Assurance Committee for information.

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

## **9. Internal Audit Charter 20/21**

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The revised draft Internal Audit (IA) Charter for 2020/21 was presented to the Audit and Assurance Committee for approval on behalf of the Edinburgh Integration Joint Board (EIJB).

Public Sector Internal Audit Standards (PSIAS) specified that the purpose, authority, and responsibility of IA must be formally defined in an IA Charter that was periodically reviewed and presented to senior management and the board for approval. The EIJB's IA Charter fulfilled this requirement.

### **Decision**

- 1) To approve and agree to sign the refreshed 2020/21 IA Charter, subject to a review of the wording throughout the document, to ensure that it was suitable for the IJB.
- 2) To refer the approved Charter to both the Council's Governance, Risk and Best Value Committee, and the NHS Lothian Audit and Assurance Committee, with a

request that it is signed by the Conveners of the respective committees to confirm that both partner organisations will support delivery of the 2020/21 EIJB IA annual plan and opinion in line with the authority delegated by the EIJB to IA.

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

## **10. Date of Next Meeting**

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The next meeting of the Committee was scheduled for Friday 5 June 2020 at 10am in the Diamond Jubilee Room, City Chambers, High Street, Edinburgh.