



Minutes

IJB Audit and Assurance Committee

10.00am, Friday 29 January 2021

Virtual Meeting, Microsoft Teams

Present:

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

Officers: Nick Bennett (Azets), Matthew Brass (Clerk), Laura Calder (Principal Audit Manager), Helen Elder (Executive Assistant), Nicola Mackenzie (Azets), Lesley Newdall (Chief Internal Auditor), Moira Pringle (Chief Finance Officer), Angela Ritchie (Senior Executive Assistant) and Julie Tickle (Planning and Commissioning Officer)

Apologies: None.

1. Minutes.

The minute of the Audit and Assurance Committee of the 6 November 2020 was presented for approval as a correct record.

Decision

To approve the minute as a correct record.

2. Annual Cycle of Business

The annual cycle of business was presented to Committee.

Decision

- 1) To note the Annual Cycle of Business.
- 2) To consider removing the Records Management Plan from the Annual Cycle of Business.

(Reference – Annual Cycle of Business, submitted.)

3. Outstanding Actions

The outstanding actions up to January 2021 were presented to committee.

Decision

- 1) To note the Outstanding Actions
- 2) To include the expected completion date of June 2021 with Action 3.
(Reference – Outstanding Actions, submitted).

4. External Audit Plan 2020-21

The External Audit Plan for 2020-2021 was presented to Committee, which updated members on the work plan for the external audit of the Edinburgh Integration Joint Board.

The report also briefed members on the core elements of the external auditors' work, which included;

- 1) An audit and provision of a specific audit opinion of the 2020/21 accounts and related matters.
- 2) Consideration and reporting of the EIJB's arrangement on the four audit dimensions; governance and transparency, financial management, financial sustainability and value for money.
- 3) Any other work requested by Audit Scotland.

Due to the ongoing COVID-19 pandemic, members noted that there will be a delay in completing the external audit, with the original timescale moved back a month.

Decision

- 1) To note the External Audit Plan 2020-21.
- 2) To consider pushing the November meeting back in order to accommodate for the External Audit delay.

(Reference – Report by the Chief External Auditor, submitted).

5. Edinburgh Integration Joint Board Risk Register

An update on the EIJB's Risk Register was presented to Committee, which updated members on the activity to manage, mitigate and escalate the EIJB risks seen throughout the Register.

The Register itself remained relatively unchanged, with no change to the overall scoring of each risk since the last Committee meeting held in November 2020. The most substantive change was seen at Risk 3.2, where an additional control had been included relating to the recruitment of carer and service user representation – which had been marked as a

priority. A further control had also been proposed in respect to the requirement to clarify the relationship between the EIJB and Edinburgh Alcohol and Drug Partnership.

Members noted Appendix 2 of the report which updated Committee with the risk management activity undertaken since the previous Audit and Assurance meeting. The Committee were particularly encouraged by the actions taken in relation to Strategic Planning and Commissioning, with additional actions identified to mitigate and control risks.

The report also updated members on the development of the Register, with the next steps focused on setting out a process of risk acceptance, especially in cases where the EIJB's ability to control and mitigate the risk is reliant on partner organisations.

Members acknowledged the clear and concise manner of which the Register was presented and thanked those responsible for the work on forming the report. It was also acknowledged that any concerns regarding the scoring of certain risks would be taken to a Management Review, who evaluate the risks and any mitigating factors on a monthly basis.

Decision

- 1) To note the updates to risk management activity.
- 2) To review the adequacy of mitigating controls identified against current risks and asses.
- 3) To review the current risk scores and assess if these need to be amended.
- 4) To consider the need for further risks to be added to the register.
- 5) To consult with NHS Lothian and review their COVID Risk Register alongside the Council's COVID Risk Register to determine whether there are any impacts on the IJB's function, and to then bring a report back to this Committee on the review.
- 6) To update the wording of the Annual Review of Directions to reflect that the review is done in financial years, rather than calendar years.
- 7) To present a report to Committee on the risks to Set Aside Services, after said report is presented to the Performance and Delivery Committee.
- 8) To note that the Risk Register will be subject to review at the monthly management review meeting, with any changes from this meeting to be reported to this Committee.

(Reference – Report by the Head of Strategic Planning, EHSCP, submitted)

6. Internal Audit Update for the Period 29 September 2020 – 11 January 2021

A report updating members on the progress of the Internal Audit (IA) assurance activity was presented to Committee. The activity reported was performed on behalf of the EIJB by the City of Edinburgh Council's and NHS Lothian's IA teams.

Members noted the progress relating to open IA findings since September 2020, with 17 open IA findings as of 11 January 2021. Of this 17, 14 were noted to be overdue, which reflected a net decrease of 3 from the position reported at 28 September 2020.

Assurance was given to members that positive steps had been taken to improve the working relationship between the Council's Governance, Risk and Best Value Committee, NHS Lothian's Audit and Risk Committee and the EIJB's Audit and Assurance Committee, with a workshop to be held to revisit the working arrangements between the four Lothian IJBs and NHSL and to determine whether the Principles need to be refreshed.

Decision

- 1) To note the progress with the delivery of the EIJB 2020/21 IA Plan.
- 2) To note the outcomes of the Capital and Workforce Planning audit recently completed.
- 3) To note progress with implementation of agrees management actions to support closure of EIJB IA findings raised.

(Reference – Report by the Chief Internal Auditor, submitted)

7. Edinburgh Integration Joint Board Update on Progress with the Implementation of Internal Audit Recommendations

An update on the approach adopted to addressing internal audit reports was presented to Committee. The report focused on the management response and engagements with the audit process, as well as updating Committee with the progress of the current implementation of recommendations.

The management engagement to IA was noted to have improved over the last year in a number of areas, with a focus on reducing the number of times the delivery date is extended. Appointing a lead officer to each action who provides monthly updates on their actions, as well meeting with the lead IA Officer eight weeks prior to the delivery date was noted to be key in ensuring a timely closure. Extensions on the delivery date were only

permissible following engagement and agreement with both the Executive Team and Internal Audit Team.

The current EIJB outstanding management actions were noted to have progressed over the last 12 months, with the number of outstanding actions being reduced from 88 to 32. Of the 32 remaining actions, it was noted that the deadline for completion and validation has not passed in 4 instances, with the remaining 28 overdue against the original due date, but currently working towards an agreed, revised implementation date.

Decision

- 1) To note the processes introduced by the Chief Officer to address the outstanding actions.
- 2) To note the status of the outstanding Integration Joint Board actions.
- 3) To consider whether a workshop session to explore the issues in more detail would be helpful.
- 4) To include the start date indicating when the project was first commissioned in the 'dates' column.
- 5) To consider an alternative way of merging this report with the previous report to ensure clarity on the difference between each report, and to ensure no overlap on what is being reported.

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

8. Internal Audit Overdue Findings and Key Performance Indicators at 30 October 2020

A referral report from the Council's Governance, Risk and Best Value Committee on the progress of IA overdue findings and Key Performance Indicators at 30 October 2020 was presented to the Committee for noting.

The report highlighted that, as of 30 October 2020, there were 126 open IA findings that remain to be addressed across the Council, which included one remaining historic finding and excluded open and overdue historic IA findings for the EIJB and Lothian Pension Fund.

Members noted concerns that, although the report specified how the Council were progressing overdue findings, NHS Lothian's assurance was not included – which would be beneficial in order to get a rounded view of how both partner organisations are tackling overdue audit findings. The Chief Internal Auditor assured members that the NHSL CIA was exploring a way of providing the information needed in a suitable manner which ensured confidentiality.

Decision

- 1) To note the report.
- 2) For the Chair to support the CIA in raising concerns regarding the inclusion of NHS Lothian's information on how they are tackling overdue findings at the next Governance, Risk and Best Value meeting, and to report back to this Committee on the discussion.

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

9. Board Assurance Framework

Committee were presented with an update on the implementation of the mechanisms used for reviewing the work of the Integration Joint Board committees.

Members noted that the most significant mechanism currently in place is the annual performance report – produced by each committee – to support the assurance the committees are giving and identify any significant issues.

Included with the report was a “checklist” which would be supplied to each committee and used to complete the annual report. Members were asked to note that the annual report was due to be approved by 31 March 2021.

Decision

- 1) To note the proposed process, including the deadline of 30th June 2021 for submission of reports.
- 2) To consider inviting committee chairs to the meeting at which reports are considered.
- 3) To draft a letter to circulate round the committee chairs inviting them to the meeting.

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

10. Records Management Plan

A verbal report on the records management plan was presented to committee. Members acknowledged that the information was currently with the Keeper of Records, and feedback was expected in the near future.

Committee agreed that a formal paper would be presented to Committee following this feedback.

Decision

- 1) To note the update.
- 2) To present a paper at committee on the feedback from the Keeper of Records once the feedback has been received.

11. Date of next Meeting

11 June 2021 via Microsoft Teams.