



# Minutes

## IJB Audit and Assurance Committee

**10.00am, Friday 11 June 2021**

Virtual Meeting, Microsoft Teams

**Present:**

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

**Officers:** Matthew Brass (Clerk), Laura Calder (Principal Audit Manager), Helen Elder (Executive Assistant), Rachel McLean (NHS Lothian), Lesley Newdall (Chief Internal Auditor), Moira Pringle (Chief Finance Officer), Angela Ritchie (Operations Manager, EHSCP)

**Apologies:** Kirsten Hey.

### 1. Minutes.

---

The minute of the Audit and Assurance Committee of the 29 January 2021 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**

To note the Annual Cycle of Business.

(Reference – Annual Cycle of Business, submitted.)

### 3. Outstanding Actions

---

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

## **Decision**

- 1) To agree to close Action 4(1) – Integration Joint Board Records Management Plan Update.
- 2) To otherwise note the remaining outstanding actions.

(Reference – Outstanding Actions, submitted)

## **4. Edinburgh Integration Joint Board Unaudited Annual Accounts for 2020/21**

---

The Edinburgh Integration Joint Board's (EIJB) unaudited annual accounts for 2020/21 were presented to Committee for scrutiny. The accounts were presented alongside three pieces of information that were not available at the time of drafting;

- 1) Management commentary is to be updated to reflect the final performance report, and will be done before the end of July 2021;
- 2) An amendment to the Governance Statement to reflect the final internal audit opinion will be presented at the August committee, and;
- 3) Due to technical accounting issues, the cost of PPE should now sit in the books of the relevant authorities. The EIJB were waiting to hear from National Services Scotland (NSS) on the expected costs of the PPE.

Members sought clarity on the last point and raised concerns over how the costs of PPE would impact the accounts, however, assurance was given that both the costs and funding will be delegated to authorities, meaning the cost of PPE should remain balanced.

Members also expressed concerns over the expenditure in delegated services, and agreed to take discussions offline with officers to determine whether the IJB are fulfilling their responsibilities in spending for delegated services.

Moving forward, members noted that the unaudited annual accounts as submitted to the auditor need to be considered before the end of August, with the aim to approve them by the end of September and subsequently publish them by the end of October.

## **Decision**

- 1) To consider the draft financial statements submitted.
- 2) To note the proposed timescale for completion.

(Reference – Report by the Chief Finance Officer, Edinburgh Integration Joint Board, submitted)

## 5. Edinburgh Integration Joint Board Risk Register

---

Committee were updated on the activity to manage, mitigate and escalate risks through the presentation of the EIJB's Risk Register. The Register had been further developed by officers since the last meeting of the committee, and members were presented with these changes as well as the outstanding risks.

Members were also presented with – and supportive of – the new governance process adopted for scrutinising risks by the Executive Management Team (EMT).

The main area of concern for members was the target risk associated with Risk 1.3, which was set at high. Members wanted to see a more ambitious target set after concerns were expressed surrounding the effect of having a high risk attached to the delivery of delegated services which could in turn affect the delivery of the Strategic Plan.

Members expressed thanks to Julie Tickle for the clear and concise manner in which the Register was presented, which allowed it to be easily understandable for members, the public and service users.

### **Decision**

- 1) To note the further development of the Risk Register with the adoption of a new process to ensure regular Executive Management Team (EMT) involvement in assessing and managing risks.
- 2) To consider the updated risk profile cards for 'medium' and 'high' level risks noting that these have been reviewed by the Executive Management Team in May 2021.
- 3) To determine if the mitigating controls identified against these current risks are adequate.
- 4) To consider the need for further risks to be added to the register.
- 5) To record Committee's thanks to Julie Tickle for the production of the Register.
- 6) To include the concerns surrounding the target risk of Risk 1.3 in the referral report for the EIJB, and to also bring these concerns up at the next EMT review of risks.

(Reference – Report by the Chief Finance Officer, Edinburgh Integration Joint Board, submitted)

## 6. Internal Audit Update for the Period 12 January 2021 – 1 May 2021

---

The progress of the Internal Audit (IA) assurance activity on behalf of the EIJB performed by the EIJB's partners was presented to Committee. The

report updated members on the progress of the delivery of the IA Annual Plan 2020/21, which included the status of IA findings, as well as specific insights into high rated findings and the progress of the refresh of EIJB Principles.

Members expressed concerns over the age of overdue findings, and asked officers what would be considered tolerable in terms of an acceptable overdue date. Officers noted that IJB's nationwide face similar challenges as there are multiple uncontrollables that can affect these dates, including projects being scrapped, change in personnel/management and more recently the Pandemic. Although it was noted there was still work to be done, officers assured members there had been definite progress.

Members also questioned the layout of the report alongside the reports on Overdue Findings and Key Performance Indicators and the report on the Implementation of IA Recommendations. The information presented was complex and often the reports contained information that was not applicable to the EIJB. Moving forward, officers assured members that efforts would be made to bring a more holistic approach to the committee that incorporated the relevant aspects of this report, the Implementation of IA Recommendations and the referral reports from GRBV.

### **Decision**

- 1) To note progress with the delivery of the EIJB 2020/21 IA plan.
- 2) To note the outcomes of the recently completed Financial Management audit and planned completion timeframes for the Management Information audit.
- 3) To note progress with the implementation of agreed management actions to support the closure of EIJB IA findings raised.
- 4) To note that management actions have now been provided and agreed for the Infrastructure and Support – Integration Scheme audit originally completed in August 2019.
- 5) To note progress with the refresh of the engagement Principles and the IA assurance approach.
- 6) To refer the report to the Council's Governance, Risk and Best Value Committee and NHS Lothian's Audit and Risk Committee for their information as a number of the open EIJB IA findings relate to operational service delivery for the Health and Social Care Partnership by the Council and NHS Lothian.
- 7) To request that the Chief Internal Auditor produces a consolidated report for the November meeting that incorporates what will be the equivalent of this report, the Implementation of Internal Audit

Recommendations Report and the Overdue Findings and Key Performance Indicators Referral Report.

- 8) To request the Chief Internal Auditor provides members with a note on either the progress of organising a meeting between all CIAs at the Lothian IJBs and NHS Lothian, or a note on the outcome of the meeting itself.

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

## **7. Update on Progress with the Implementation of Internal Audit Recommendations**

---

An update on the progress of closing off Edinburgh Integration Joint Board Internal Audit actions was presented to Committee.

Members were encouraged by the fact that, since the last committee meeting, 11 management actions had been closed. Of the 15 remaining outstanding actions, 12 were noted to be on track for delivery, and the remaining 3 had been delayed due to the reshape of the Council's Finance and Social Care Transactions team.

### **Decision**

- 1) To note the status of the outstanding Integration Joint Board actions.
- 2) To agree to include any future updates (where appropriate) in the Chief Internal Auditor's update report.

(Reference - Report by the Chief Finance Officer, Edinburgh Integration Joint Board, submitted)

## **8. Internal Audit Overdue Findings and Key Performance Indicators as at 10 February 2021**

---

A referral report from the Council's Governance, Risk and Best Value Committee on the progress of IA Overdue Findings and Key Performance Indicators as at 10 February 2021 was presented to the Committee.

Members noted the progress that had been made against the overdue findings, but noted difficulties in extracting the relevant points from the report specific to Health and Social Care. As agreed previously, a more holistic approach between reports that identified the points most relevant to the EIJB would be brought to the November meeting.

### **Decision**

To note the report.

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

## 9. Internal Audit Overdue Findings and Key Performance Indicators as at 27 April 2021

---

A referral report from the Council's Governance, Risk and Best Value Committee on the progress of IA Overdue Findings and Key Performance Indicators as at 27 April 2021 was presented to the Committee.

### **Decision**

- 1) To note the report.
- 2) For the Chair to discuss with the Convenor of the Governance, Risk and Best Value Committee the appropriateness of referring the report in full to Audit and Assurance.

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

## 10. Internal Audit Charter 2020-21

---

The revised Internal Audit Charter for 2020-21 was presented to the Committee for their approval on behalf of the Edinburgh Integration Joint Board. The Charter defined the purpose, authority and responsibility of Internal Audit as per the specifications of the Public Sector Internal Audit Standards, and provided what was essentially the operational terms of reference agreed between this Committee (on behalf of the EIJB) and the partner organisations (CEC and NHSL).

Members were supportive of the revised Charter and welcomed the opportunity to refer it to both the CEC and NHSL to confirm support for its delivery.

Members expressed concerns over the process of escalating actions if they were not fulfilled. Although officers noted valid concerns in that area and noted that the escalation process may need to be revisited in the future, the process was not suitable to be included in the Internal Audit Charter.

### **Decision**

- 1) To review, approve and sign the refreshed 2021/22 IA Charter.
- 2) To refer the approved Charter to both the Council's Governance, Risk and Best Value Committee, and the NHS Lothian Audit and Risk Committee, with a request that it is signed by the Convenor's of the respective committees to confirm that both partner organisations will support the delivery of the 2021/11 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)

## 11. Internal Audit Annual Plan 2021-22

---

The draft Internal Audit Annual Plan for the financial year 2021-22 was presented to Committee for their approval. The report proposed a framework designed to manage the EIJB's most significant risks, as well as a general plan that focused on the governance, risk and controls within the EIJB.

Members were supportive of the Plan but questioned whether there was the capacity to deliver each aspect. Officers assured members that Internal Audit themselves have capacity and the Executive Management Team's agreement to the Plan prior to its presentation to Committee confirmed their capacity. Members noted that, if there were significant changes that would shift capacity, for example, another high wave of Covid, then the Plan could be revised.

### **Decision**

- 1) To review and approve the 2021/22 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 (further detail is included at paragraph 11 of the report).
- 3) To refer the approved EIJB IA Plan to the Council's Governance, Risk and Best Value Committee, and the NHS Lothian Audit and Risk Committee for information.

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

## **12. Valedictory Remarks**

---

The Chair gave thanks to Andrew Coull who had stepped down from his membership of the Edinburgh Integration Joint Board and the Committees and wished him well in the future.

## **13. Date of next Meeting**

---

Friday 6 August 2021 via Microsoft Teams.