

Governance, Risk and Best Value

10:00am, Tuesday 14 December 2021

Integration Joint Board – Principles to Underpin Working Relationships between Lothian NHS and IJB Final – Referral from the Edinburgh Integration Joint Board Audit and Assurance Committee

Item number
Executive/routine
Wards
Council Commitments

1. For Decision/Action

- 1.1 The Governance, Risk and Best Value Committee is requested to consider the Integration Joint Board – Principles to Underpin Working Relationships between Lothian NHS and IJB Final – Referral from the Edinburgh Integration Joint Board Audit and Assurance Committee to enable formal implementation of a similar approach to support ongoing provision of relevant audit health and social care assurance outcomes to the EIJB Audit and Assurance Committee.

Stephen S Moir

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Referral Report

Integration Joint Board – Principles to Underpin Working Relationships between Lothian NHS and IJB Final

2. Terms of Referral

- 2.1 On 12 November 2021, the Edinburgh Integration Joint Board (EIJB) Audit and Assurance Committee considered a report which provided details of the refreshed Principles (the Principles) to underpin working relationships between NHS Lothian (NHSL) and the four Lothian Integration Joint Boards (IJBs).
- 2.2 The EIJB Audit and Assurance Committee agreed:
 - 2.2.1 To review the content of the refreshed principles.
 - 2.2.2 To provide conformation of acceptance of the Principles.
 - 2.2.3 to note the other outcomes of the Principles workshops that are not specifically detailed in the refreshed principles document, and ensures that they are effectively implemented and sustained.
 - 2.2.4 To confirm that the Principles can be shared with the City of Edinburgh Council GRBV Committee to enable formal implementation of a similar approach to support ongoing provision of relevant audit health and social care assurance outcomes to the EIJB Audit and Assurance Committee.
 - 2.2.5 To agree to annually review the Principles in practice and add this to the Committee's Annual Cycle of Business.

3. Background Reading/ External References

- 3.1 None.

4. Appendices

- 4.1 Appendix 1 – Report by the Chief Internal Auditor



REPORT

Integration Joint Board – Principles to Underpin Working relationships between Lothian NHS and IJB Final

EIJB Audit and Assurance Committee

12 November 2021

Executive Summary

1. This report provides details of the refreshed Principles (the Principles) to Underpin Working Relationships between NHS Lothian (NHSL) and the four Lothian Integration Joint Boards (IJBs).
2. The refreshed Principles have been discussed and agreed by the NHSL and four Lothian Chief Internal Auditors (CIAs), and the chairs of their respective audit and risk / audit and assurance committees.
3. The refreshed Principles address concerns previously raised by Edinburgh Integration Joint Board (EIJB) Audit and Assurance Committee members in relation to current operational working practices between the EIJB and NHSL.
4. The refreshed Principles will also enable the City of Edinburgh Council to formally implement a similar approach to support ongoing provision of relevant audit health and social care assurance outcomes to the EIJB Audit and Assurance Committee.
5. A number of actions were also agreed at the Principles workshop that are not specifically detailed in the Principles document. These have been included in this paper for completeness.

Recommendations

It is recommended that the Audit and Assurance Committee:

1. Reviews the content of the refreshed Principles.
2. Provides either confirmation of acceptance of the Principles or feedback on any suggested changes to the NHSL CIA.
3. Notes the other outcomes from the Principles workshops that are not specifically detailed in the refreshed Principles document, and ensures that they are effectively implemented and sustained.
4. Confirms that the Principles can be shared with the City of Edinburgh Council GRBV Committee to enable formal



implementation of a similar approach to support ongoing provision of relevant audit health and social care assurance outcomes to the EIJB Audit and Assurance Committee.

Directions

Direction to City of Edinburgh Council, NHS Lothian or both organisations	No direction required	✓
	Issue a direction to City of Edinburgh Council	
	Issue a direction to NHS Lothian	
	Issue a direction to City of Edinburgh Council and NHS Lothian	

Report Circulation

1. The report was discussed with the EIJB's Chief Officer and Chief Finance Officer.
2. EIJB Audit and Assurance Committee.

Main Report

Background

3. The Principles were designed by NHSL in 2016 and agreed by the Audit and Risk / Audit and Assurance / committees of NHSL and the four Lothian IJBs at that time.
4. The original Principles have not been consistently applied, mainly due to some ongoing challenges with their practical implementation as IJB operations evolved and developed. Consequently, it was agreed that the original Principles would be refreshed with input from all relevant stakeholders.
5. The Principles were then reviewed and refreshed by the CIAs of all four Lothian IJBs and NHSL, and were also reviewed and discussed at workshops held in October 2021 attended by all CIAs and Audit and Risk / Audit and Assurance Committee chairs.

The Principles

6. The Principles are designed to improve working relationships and facilitate knowledge sharing between, and implementation of best practice across, the four Lothian IJB Audit and Risk / Audit and Assurance Committees and the NHSL Board Audit and Risk Committee, and it is acknowledged that the Principles should be consistently applied by all organisations.
7. The refreshed document (refer Appendix 1) comprises four Principles that focus on the following themes:

- 7.1. Principle 1 - IJB Audit and Risk Committees and the Lothian NHS Board Audit and Risk Committee have an effective working relationship to take forward matters of common interest.
- 7.2. Principle 2 - To support the efficient conduct of business, there is a clear communication process from the IJB Audit and Risk Committee to the Lothian NHS Board Audit and Risk Committee, and vice versa.
- 7.3. Principle 3 - The reports from the Lothian NHS Board internal audit function shall be readily available to the IJB Audit and Risk committees. The reports from the IJB internal audit functions shall be readily available to the Lothian NHS Board Audit and Risk committee.
- 7.4. Principle 4 - NHS Lothian and the respective Council's will work together to support the IJB Internal Audit plans.
8. Specific concerns raised previously by the Edinburgh Integration Joint Board (EIJB) Audit and Assurance committee on operational working practices between the EIJB and NHSL focused on ensuring that:
 - 8.1. any appropriate EIJB audits completed by NHSL were initially reported to and scrutinised by the EIJB Audit and Assurance Committee, prior to sharing with the NHSL Board Audit and Risk Committee.

This concern has now been addressed at Principle 4 which confirms that IJB audits completed by NHSL resources will be directed by the relevant IJB Chief Internal Auditor, with outcomes reported to the relevant IJB Audit and Assurance / Audit and Risk Committee. This principle also confirms that the outcomes of these IJB reviews will not be considered as part of the NHSL IA annual opinion.
 - 8.2. the EIJB Audit and Assurance Committee had ongoing oversight of the status of NHSL open and overdue internal audit findings.

This concern has now been addressed at Principle 3 as NHSL will now share their quarterly follow-up report on outstanding actions with IJB Chief Internal Auditors.

Workshop Outcomes

9. At the Principles workshops it was also agreed that:
 - 9.1. a paper would be presented at all NHSL and IJB audit and assurance / audit and risk committees requesting review and approval of, or provision of feedback on the refreshed Principles, with feedback shared with the NHSL CIA by relevant IJB CIAs;
 - 9.2. once approved, the Principles will be included in the induction programme for any new NHSL and IJB audit and risk / audit and assurance committee members;

- 9.3. where possible, a common theme would be identified for IJB audits to be delivered by the NHS IA team across the four Lothian IJBs, based on details of the most significant risks faced by the four IJBs; and
 - 9.4. the Principles would be further re-evaluated twelve months after implementation.
10. It is recommended that these actions are noted by the Committee, and monitored to confirm that they have been completed.

City of Edinburgh Council Governance, Risk, and Best Value Committee

11. There is currently an open action on the Council's GRBV Committee action log requesting an update on the IJB Principles to support implementation of a similar approach between the GRBV and the EIJBA Audit and Assurance Committees to support ongoing provision of adult social care assurance outcomes.
12. It is recommended that the Committee confirms that the final version of the Principles is shared with the City of Edinburgh Council Governance GRBV committee to support formal implementation of this process.

Implications for Edinburgh Integration Joint Board

Financial

13. There are no direct financial implications associated with implementation of the refreshed principles.

Legal / risk implications

14. Adoption and implementation of the refreshed Principles should support provision of enhanced assurance outcomes to the EIJBA Audit and Assurance Committee from both NHS and the City of Edinburgh Council.

Equality and integrated impact assessment

15. There are no direct equalities and integrated impacts associated with this report.

Environment and sustainability impacts

16. There are no direct environment and sustainability impacts associated with this report.

Quality of care

17. There are no direct quality of care impacts associated with this report.

Consultation

18. Engagement between all Lothian IJB and NHS Chief Internal Auditors and their respective Audit and Assurance / Audit and Risk Committee Chairs.

Report Author

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Background Reports

None

Appendices

Appendix 1 Refreshed Principles to Underpin Working Relationships between Lothian NHS and IJBs

Appendix 1 - Principles to Underpin Working relationships between Lothian NHS and IJB Final 251021

THE PRINCIPLES TO UNDERPIN THE WORKING RELATIONSHIPS BETWEEN THE LOTHIAN NHS BOARD AUDIT & RISK COMMITTEE AND THE INTEGRATION JOINT BOARD AUDIT & RISK COMMITTEES

PRINCIPLE 1: The IJB Audit & Risk Committees and the Lothian NHS Board Audit & Risk Committee have an effective working relationship to take forward matters of common interest.

How will this work in practice?

- ✓ In addition to other specific measures, the chairs of the committees will meet every 6 months alongside the Chief Internal Auditors (broadly timing to be aligned to IA Planning and IA opinion).
- ✓ The audit & risk committees, chief internal auditors and management from the IJBs and Lothian NHS Board shall work collaboratively to resolve issues and risks, recognising that for some issues and risks there are interdependencies between the IJBs.
- ✓ The IJB Chief Officers (or delegated per IJB structures) shall lead the work required to maximise and maintain consistency in the IJBs' systems for risk management and risk registers. The aim is to create a reliable holistic view of risk from IJBs and Partner organisations.
- ✓ There will be an agreed two-way communication between the NHS Lothian ARC and the IJB. This will focus on the principles of assurance and sharing relevant information between both parties, not to duplicate the work of the respective committees.
- ✓ The IJB Audit & Risk Committees have the right to require NHS managers to attend their meetings, should they wish to discuss an internal audit report with them. However, it is agreed that this right would be exercised after due consideration and would probably be exceptional. In the normal course of events the IJB Audit & Risk Committees will in the first instance rely on the scrutiny and oversight work of Lothian NHS Board Audit & Risk Committee.

PRINCIPLE 2 : To support the efficient conduct of business, there is a clear communication process from the IJB Audit & Risk Committee to the Lothian NHS Board Audit & Risk Committee, and vice versa.

How will this work in practice?

- ✓ In the event that an IJB Audit & Risk Committee wishes to raise a matter directly with the NHS Lothian Audit & Risk Committee, the IJB relevant Officer will be tasked with communicating the request.
- ✓ The IJB Chief Finance Officer shall send the request to the secretary of the Lothian NHS Board Audit & Risk Committee (Alan Payne

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PRINCIPLE 2 : To support the efficient conduct of business, there is a clear communication process from the IJB Audit & Risk Committee to the Lothian NHS Board Audit & Risk Committee, and vice versa.

alan.payne@nhs.scot.uk). The secretary shall process the request accordingly.

- ✓ With regard to communication from the Lothian NHS Board Audit & Risk Committee to the IJB audit & risk committees, the secretary of the Lothian NHS Board Audit & Risk Committee shall send the information to the IJB Chief Finance Officer (or an officer that the IJB Chief Finance Officer has identified for that purpose).

PRINCIPLE 3: The reports from the Lothian NHS Board internal audit function shall be readily available to the IJB audit & risk committees. The reports from the IJB internal audit functions shall be readily available to the Lothian NHS Board audit & risk committee.

How will this work in practice?

- ✓ The Lothian NHS Board Audit & Risk Committee publishes internal audit reports once the Committee has reviewed and accepted them. The NHS Lothian Chief Internal Auditor routinely publishes internal audit reports on the Board's website following the Audit & Risk Committee meeting www.nhslothian.scot.nhs.uk / [Our Organisation / Key Documents / Audits](#)
- ✓ Once the reports have been placed on the website, the NHS Lothian Chief Internal Auditor shall email the IJB Chief Internal Auditors to make them aware of this. This email will include reference to those reports relevant to the IJB for the Chief Internal Auditor to consider for referral.
- ✓ On a quarterly basis NHS Lothian Internal Audit present a follow up on outstanding actions to the ARC meeting. This will be shared with the IJB Chief Internal Auditors once presented to Committee.
- ✓ The IJB Audit & Risk Committees shall refer any relevant IJB internal audit reports to the Lothian NHS Board Audit & Risk Committee and reflect that referral in their minutes. The IJB Chief Internal Auditor shall liaise with the Chief Internal Auditor of NHS Lothian to share the reports.

Appendix 1 - Principles to Underpin Working relationships between Lothian NHS and IJB Final 251021

PRINCIPLE 4: NHS Lothian and the respective Council's will work together to support the IJB Internal Audit plans.

How will this work in practice?

- ✓ The IJB Chief Internal Auditors and the NHS Lothian Chief Internal Auditor will routinely during the year to share intelligence including work programmes. Both parties will aim to avoid duplication in internal audit resources. To support the IJB Internal Audit plan delivery NHS Lothian Internal Audit will provide an internal audit team member to the Chief Internal Auditors of the IJB. This will be for an agreed period of time, at a time that works for both parties.
- ✓ The NHS Lothian Internal Audit team member will be the responsibility of the Chief Internal Auditor for the IJB who will scope, direct, and review the work of the auditor. The report will be the responsibility of the IJB Chief Internal Auditor who will report the work to the IJB Audit and Risk Committee.
- ✓ The sharing of internal audit resource will be referenced in the NHS Lothian plan, but this will not form the NHS Lothian Internal Audit plan and will not be considered within the NHS Lothian annual internal audit opinion.