



Minutes

IJB Audit and Assurance Committee

10.00am, Friday 18 February 2022

Virtual Meeting, Microsoft Teams

Present:

Councillor Phil Doggart (Chair), Kirsten Hey, Grant Macrae and Peter Murray.

Officers: Matthew Brass (Clerk), Laura Calder (Internal Audit), Helen Elder (Executive Assistant), Nicola MacKenzie (External Audit – Azets), Russell McIntosh (Internal Audit – NHS Lothian), Lesley Newdall (Chief Internal Auditor), Moira Pringle (Chief Finance Officer), Angela Ritchie (Operations Manager EHSCP),

Apologies: Councillor George Gordon

1. Resolution to Consider Business

IT issues prior to and during the Committee meeting required multiple attendees to join the call from personal mobile devices after the link to the meeting was shared to their personal email addresses.

2. Minutes

The minute of the Audit and Assurance Committee of the 12 November 2021 was presented for approval as a correct record.

Decision

To approve the minute as a correct record.

3. Annual Cycle of Business

The annual cycle of business was presented to Committee.

Decision

To agree the updated Annual Cycle of Business attached as an appendix.
(Reference – Annual Cycle of Business, submitted)

4. Outstanding Actions

The outstanding actions updated to February 2022 were presented to committee.

Decision

1) To agree to close the following actions:

- Action 2 – Internal Audit Update for the period: 2 May to 14 September 2021
- Action 3 – Integration Joint Board – Principles to Underpin Working Relationships between Lothian NHS and IJB
- Action 4 – Edinburgh Integration Joint Board Risk Register

2) To otherwise note the remaining outstanding actions.

(Reference – Outstanding Actions, submitted)

5. External Audit Annual Plan 2021-22

The work plan for the 2021/2022 external audit of the Edinburgh Integration Joint Board (EIJB) was presented to Committee. The core elements of the work included audits of; the 2021/22 accounts, governance and financial management & sustainability arrangements, and any other work requested by Audit Scotland.

Members were supportive of the plans and were encouraged by the plans of including both partners as well as service users throughout audit activity.

Decision

To note the report.

(Reference – Report by Azets, External Auditors, submitted)

6. Edinburgh Integration Joint Board Risk Register

The latest iteration of the EIJB Risk Register was presented to the Committee for their consideration. Each risk card had been updated to reflect the current position of each risk, and member's concerns surrounded the following specific areas of the report:

- Risk 1.3 – this was noted to be a risk that hasn't occurred but was included as a means of managing and regularly reviewing in order to avoid the risk coming to fruition.

- Risk 2.2 – members noted that the actions taken to maintain a coherent workforce supply to meet demand have resulted in the system being steady (not better or worse) thus far. Members recognised the unknowns faced regarding the pandemic, restrictions and any future variants, however, were encouraged that resources were beginning to be fed back into workforce transformation from the pandemic resilience workstreams.
- Risks 3.5 and 3.6 – members noted that there was no risk rating attached to these risks. Although officers assured members that these are not provided with risk ratings that already low, members questioned the need for them to still be included on the risk register.

Moving forward, members were supportive of the plans to review the register to ensure there is no overlap between risks and create a clearer pathway to the target risk rating.

Decision

- 1) To consider the updated risk cards for ‘very high’, ‘high’ and ‘medium’ risks noting that these were reviewed by the Executive Management Team in February 2022.
- 2) To determine if the mitigating controls identified against these current risks are adequate.
- 3) To consider if further risks need to be added to the register.
- 4) To maintain risk card 2.2 at very high recognising that system pressures are still having an impact on service delivery.
- 5) To agree that the target risk for 2.1 remains at high as the main impact still relates to the availability of the workforce.
- 6) To agree that the Chief Finance Officer and Operations Manager will undertake further work with the Executive Management Team to revise and reword the risk cards to ensure clear risk articulation.

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

7. Set-Aside Risk Profile

Information was provided on set-aside and the high-level risks associated with this area of the EIJB’s budget and services. The report also presented any measures currently in place to mitigate these risks.

Members expressed concerns on the budget for set-aside services and highlighted that – although not a current risk – if the recruitment drive is successful, capital could be diverted away from set-aside towards workforce budgeting. The shift to home-first care was expected to further-effect the set-aside budget.

Concerns also arose over the performance indicators that measure the performance of set-aside services. Members questioned whether these indicators were 'person-centred' enough and could deliver a true reflection of performance within set-aside.

Decision

- 1) To note the content of the report, the actions that are already taking place to influence set-aside and mitigate associated risks.
- 2) To recognise the current system pressures and the lack of resource currently available to support specific workstreams impacting on set-aside.
- 3) To note the outcome of the National Care Service consultation and any future implementation plans are likely to have profound impact on how services are currently organised and funded.

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

8. Internal Audit Update

The progress of Internal Audit (IA) assurance activity on behalf of the EIJB performed by the City of Edinburgh Council (the Council) and NHS Lothian (NHSL) was presented to Committee. As per previous iterations of the report, the up-to-date status of agreed management actions to support closure of IA findings were also presented.

Members questioned the relevance of historic risks, and how risks that were flagged over four years ago could still pose a risk today. Officers assured members that many historic risks were still relevant in the current climate.

Further, members wished to see the progress that had been made against historical actions. Given some risks had been apparent for multiple years, it raised concerns that – even though there may have been progress – there was no evidence that any actions had been undertaken to address the historic risks.

Moving forward, it was noted that the EIJB's Management Team had accepted the risks laid out in the report and up-to-date positions on each risk – including agreed actions and revised estimated completion dates – were presented at appendix 2 of the report.

Decision

- 1) To note progress with the delivery of the EIJB 2021/22 IA plan and the outcomes of the Delivery of EIJB Legislative and Regulatory requirements audit.

- 2) To note progress with implementation of agreed management actions to support closure of EIJB IA findings raised.
- 3) To refer this report to the Council's Governance, Risk and Best Value 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.
- 4) To agree to include the progress made against historical management actions in the next quarterly update to Committee.

(Reference – Report by the Chief Internal Auditor, City of Edinburgh Council, submitted)

9. Internal Audit: Principles to Underpin the Working Relationship between the Edinburgh Integration Joint Board Audit and Assurance Committee and the Council's Governance, Risk and Best Value Committee

Approval was sought for the proposed Principles that would underpin working relationship between the Audit and Assurance Committee and the Council's Governance, Risk and Best Value Committee.

Decision

- 1) To approve the proposed Principles and supporting operational arrangements to formalise the established working relationship between the committees.
- 2) To ensure that the supporting operational arrangements are consistently applied following approval of the Principles.

(Reference – Report by the Chief Internal Auditor, City of Edinburgh Council, submitted)

10. Board Assurance Framework – 2021/22 Cycle

A revised Board Assurance Framework and associated committee annual assurance statement process was presented for endorsement.

Members supported the revised Framework and supported the plans to run the revised system for a year and then allow a reflective evaluation of the process from Internal Audit. Further, members supported the plans to include training on the Framework in an induction for new Committee chairs post-election.

Decision

- 1) To endorse the revised Board Assurance Framework and associated committee annual assurance statement for the 2021/2022 assurance cycle.

- 2) To refer the revised Board Assurance Framework to the Edinburgh Integration Joint Board for approval.

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

10. Review of Audit and Assurance Terms of Reference

The Committee's Terms of Reference (ToRs) were presented for review. The annual review suggested minor amendments to the current ToRs and included additional core duties that were reflective of the Committee's legislative requirements.

Decision

- 1) To endorse the terms of reference for the Audit and Assurance Committee.
- 2) To refer the revised terms of reference for Audit and Assurance Committee to the Edinburgh Integration Joint Board for approval.

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

11. Date of Next Meeting

The date of the next meeting was noted to be Wednesday, 27 April 2022.