

REFERRAL REPORT

Committees Annual Assurance Report – Referral from the Audit and Assurance Committee

Edinburgh Integration Joint Board

Tuesday, 21 September 2023

Executive Summary

This report provides the Edinburgh Integration Joint Board (EIJB) with a condensed report on the annual assurance statements for the EIJB committees.

Recommendations

The Edinburgh Integration Joint Board is asked to note the report.

Terms of Referral

1. Committee assurance statements were presented to the Audit and Assurance Committee (AAC) for scrutiny on 13 September 2023 (Clinical and Care Governance Committee, Performance and Delivery Committee, Strategic Planning Group and Audit and Assurance Committee).
2. Members noted that monitoring of implementation and progress of the proposed outcomes would be undertaken by each Committee and reported back through the Audit and Assurance Committee.
3. Members also requested that officers give consideration to aligning audit and assurance terminology going forward in terms of consistency and transparency of reporting.

4. The Committee agreed:
 - 4.1 To note the moderate assurance following the review of the committee assurance statements which were stored in the City of Edinburgh Council and NHS Lothian Teams site for interest.
 - 4.2 To note there had been no suspension of the standing orders in 2022/23.
 - 4.3 To note no breaches of the code of conduct had been recorded for 2022/23.
 - 4.4 To note the due date for recruitment of the Chief Risk Officer was December 2023.
 - 4.5 To request that an appendix be added to the report prior to submission to the Edinburgh Integration Joint Board setting out definitions of assurance levels for the purposes of clarification.
 - 4.6 To note the ongoing work with internal audit to align audit and assurance terminology used by the City of Edinburgh Council and NHS Lothian and that a paper detailing this work would be brought to the Audit and Assurance Committee for consideration at its next meeting scheduled for 13 December 2023.
 - 4.7 To note that the Chief Finance Officer would revisit the committees' assurance returns and feedback on any further emerging themes, improvements or actions required.
 - 4.8 To refer the report to the Edinburgh Integration Joint Board.

Report Author

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Chair, Audit and Assurance Committee

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Appendix

Appendix 1 **Committees' Annual Assurance Report (including additional appendix with definitions of assurance levels) – report by the Chief Finance Officer, Edinburgh Integration Joint Board**

REPORT

Committees' Annual Assurance Report

Audit and Assurance Committee

13 September 2023

Executive Summary	This report provides the Audit and Assurance Committee with a condensed report on the annual assurance statements for the Edinburgh Integration Joint Board (EIJB) committees.
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Recommendations	<p>The Audit and Assurance Committee is asked to:</p> <ul style="list-style-type: none"> a) note the moderate assurance following the review of the committee assurance statements which are stored in the CEC and NHS L teams' site for interest; b) note that there were no suspension of the standing orders in 2022/23; and c) note that no breaches of the code of conduct have been recorded for 2022/23; d) refer this report to the EIJB.
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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 & NHS Lothian	

Report Circulation

1. This report is based on the assurance statements presented to the respective committees between June and August 2023.



Main Report

Assurance Process

2. The Edinburgh Integration Joint Board (EIJB) through its Audit and Assurance Committee agreed its annual assurance process for the 2022/23 cycle.
3. In summary, members of each of the EIJB committees were asked to complete a board assurance template which asked a range of questions covering specific areas such as membership, knowledge, skills, and support for their committee. It also requested members provide details of any good practice and areas for improvement. Lastly it invited committee members to state an assurance level based on the reports that have been submitted to the committee throughout 2022/23. The definition of the assurance levels, as previously approved by the EIJB, is attached at appendix 1.
4. The committee board assurance statements have now been considered and agreed by their own committees (e.g., AAC statement was submitted to AAC in the first instance).
5. Once all committees agreed their committee annual statements, they were scrutinised at AAC on the 13 September 2023. The purpose of the review by AAC is to provide the EIJB with assurance (or otherwise) on the effectiveness of the EIJB committee structure and how well the committees are fulfilling their duties. This in turn will be subsequently presented to the EIJB for endorsement as part of the annual accounts process at the 21 September 2023 meeting.
6. In addition to the statements submitted by the committees, further assurance can be taken from a review of suspension of the EIJB's standing orders and breaches code of conduct occurred in 2022/23. This was carried out by colleagues in the Council's Committee Services team who have confirmed that there were no such suspension or breaches recorded in 2022/23.

Key themes from the 2022/23 assurance cycle

7. Copies of all assurance statements have been stored in the EIJB teams' site for reference (both CEC and NHSL sites), with the main themes coming through the assurance statements included in appendix 2. Based on these, the following actions are proposed:
 - Development of a supported training programme for committee members, alongside a clear process for training opportunities.
 - Development of succession plans so that committee changes are handled smoothly and do not impact on the work of the committee.
 - A skills audit of the committee is carried out so that any shortfalls can be addressed.
 - Training for officers to ensure consistency in quality of reporting.
 - Recruitment of Chief Risk Officer (CRO).



- Recommend to EIJB that committee membership is increased for the Audit and Assurance, Clinical and Care Governance and Performance and Delivery Committee. In line with current terms of reference this will mean an additional three members for each committee (two voting and one non-voting).
3. Based on the assurance statements submitted from the committees, the AAC can provide a moderate level of assurance which is the same assurance level as last year.

Next Steps

4. Where improvements or actions have been identified within the annual assurance statements, they will be collated together into an action plan, with proposed improvement actions developed (where possible) as part of the development of the EIJB committee structure. Additionally, formal reports on progress with the actions agreed will be presented on a six monthly basis to each of the committees.

Implications for Edinburgh Integration Joint Board

Financial

5. There are no specific financial implications arising from this report.

Legal/risk implications

6. The process agreed by the EIJB is designed to provide appropriate assurance to the board, thus reducing risk.

Equality and integrated impact assessment

7. There are no specific implications arising from this report.

Environment and sustainability impacts

8. There are no specific implications arising from this report.

Quality of care

9. There are no specific implications arising from this report.

Consultation

14. There are no specific implications arising from this report.

Report Author

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Appendices

Appendix 1 – Definition of assurance levels

Appendix 2 - Key themes/actions highlighted via committee assurance returns

DEFINITION OF ASSURANCE LEVELS

Definition	Most likely course of action by the IJB or committee
LEVEL – SIGNIFICANT	
<p>The IJB (or committee) can take reasonable assurance that the system of control achieves, or will achieve, the purpose that it is designed to deliver. There may be an insignificant amount of residual risk or none at all.</p> <p>Examples of when significant assurance can be taken are:</p> <ul style="list-style-type: none"> • The purpose is quite narrowly defined, and it is relatively easy to be comprehensively assured. • There is little evidence of system failure and the system appears to be robust and sustainable. • The IJB/committee is provided with evidence from several different sources to support its conclusion. 	<p>If there are no issues at all, the IJB or committee may not require a further report until the next scheduled periodic review of the subject, or if circumstances materially change.</p> <p>In the event of there being any residual actions to address, the IJB or committee may ask for assurance that they have been completed at a later date agreed with the Chief Officer or relevant executive lead, or it may not require that assurance.</p>
LEVEL – MODERATE	
<p>The IJB/committee can take reasonable assurance that controls upon which the organisation relies to manage the risk(s) are in the main suitably designed and effectively applied. There remains a moderate amount of residual risk.</p> <p>Moderate assurance can be taken where:</p> <ul style="list-style-type: none"> • In most respects the “purpose” is being achieved. • There are some areas where further action is required, and the residual risk is greater than “insignificant”. • The report includes a proposed remedial action plan, the committee considers it to be credible and acceptable. 	<p>The IJB/committee will ask the Chief Officer/executive lead to provide assurance at an agreed later date that the remedial actions have been completed. The timescale for this assurance will depend on the level of residual risk. If the actions arise from a review conducted by an independent source (e.g. internal audit, or an external regulator), the IJB/committee may prefer to take assurance from that source’s follow-up process, rather than require the Chief Officer/executive lead to produce an additional report.</p>
LEVEL – LIMITED	
<p>The IJB/committee can take some assurance from the systems of control in place to manage the risk(s), but there remains a significant amount of residual risk which requires action to be taken.</p> <p>Examples of when limited assurance can be taken are where:</p> <ul style="list-style-type: none"> • There are known material weaknesses in key areas. • It is known that there will have to be changes to the system (e.g. due to a change in the law) and the impact has not been assessed and planned for. • The report has provided incomplete information, and not covered the whole purpose of the report. • The proposed action plan to address areas of identified residual risk is not comprehensive or credible or deliverable. 	<p>The IJB/committee will ask the Chief Officer/executive lead to provide a further paper at its next meeting, and will monitor the situation until it is satisfied that the level of assurance has been improved.</p>

DEFINITION OF ASSURANCE LEVELS

Definition	Most likely course of action by the IJB or committee
LEVEL – NONE	
<p>The IJB/committee cannot take any assurance from the information that has been provided. There remains a significant amount of residual risk.</p>	<p>The IJB/committee will ask the Chief Officer/executive lead to provide a further paper at its next meeting, and will monitor the situation until it is satisfied that the level of assurance has been improved.</p> <p>Additionally the chair of the meeting will notify the Chair of the issue.</p>
LEVEL – NOT ASSESSED YET	
<p>This simply means that the IJB/ committee has not received a report on the subject as yet. In order to cover all aspects of its remit, the IJB/committee should agree a forward schedule of when reports on each subject should be received (perhaps within their statement of assurance needs), recognising the relative significance and risk of each subject.</p>	

KEY THEMES/ACTIONS HIGHLIGHTED VIA COMMITTEE ASSURANCE RETURNS

Action / Issue	Owner	Due Date
Audit and Assurance – moderate assurance		
1. Development of succession plans so that committee changes are handled smoothly and did not impact on the work of the committee.	ICO	Mar 24
2. A skills audit of the committee is carried out so that any shortfalls can be addressed	ICO	Dec 23
3. Improve interactions between committees and escalations to the EIJB.	OM	Mar 24
4. Consideration of additional membership having either audit or risk expertise.	ICO	Oct 23
5. Recruitment of Chief Risk Officer (CRO).	ICO	Dec 23
6. Process to monitor national policy/direction/ technical developments.	OM	Mar 24
Clinical and Care Governance – limited assurance		
1. Development of a supported training programme for committee members, alongside a clear process for training opportunities.	ICO	Mar 24
2. Development of succession plans so that committee changes are handled smoothly and did not impact on the work of the committee.	ICO	Mar 24
3. A skills audit of the committee is carried out so that any shortfalls can be addressed.	OM	Dec 23
4. Clarity on where the committee sits within the EIJB structure should be obtained.	OM	Mar 24
5. Consistency in quality of reporting should be explored.	ICO	Dec 23
Performance and Delivery – moderate assurance		
1. Development of a supported training programme for committee members, alongside a clear process for training opportunities.	ICO	Mar 24
2. Development of succession plans so that committee changes are handled smoothly and did not impact on the work of the committee.	ICO	Mar 24
3. A skills audit of the committee is carried out so that any shortfalls can be addressed.	OM	Dec 23
4. Propose an increase in membership.	ICO	Oct 23
5. More detailed performance information to support appropriate scrutiny.	CFO	Mar 24
6. Further training/induction sessions on Partnership services.	ICO	Mar 24
Strategic Planning Group – moderate assurance		
1. Development of a supported training programme for committee members, alongside a clear process for training opportunities.	ICO	Mar 24
2. Development of succession plans so that committee changes are handled smoothly and did not impact on the work of the committee.	ICO	Mar 24
3. A skills audit of the committee is carried out so that any shortfalls can be addressed.	OM	Dec 23
4. Consistency in quality of reporting should be explored.	ICO	Dec 23

Membership

Several committees (Audit and Assurance, Clinical and Care Governance and Performance and Delivery) indicated they would like an increase in membership. It should be noted that this will require an increase of an additional three members to the Committee (two voting and one non-voting). If agreed this would mean an additional time commitment for the equivalent of 9 EIJB members.