

## Minute of Meeting Renfrewshire Health and Social Care Integration Joint Board Audit Committee

Date	Time	Venue
Friday, 25 January 2019	09:00	Abercorn Conference Centre, Renfrew Road, Paisley, PA3 4DR

### Present

Councillor Lisa-Marie Hughes and Councillor Scott Kerr (Renfrewshire Council); Morag Brown and Dorothy McErlean (both Greater Glasgow & Clyde Health Board); and Alan McNiven (third sector representative).

### Chair

Councillor Lisa-Marie Hughes, Chair, presided.

### In Attendance

Lynn Mitchell, Managing Solicitor (Contracts & Conveyancing), Andrea McMahon, Chief Internal Auditor, and Elaine Currie, Senior Committee Services Officer (all Renfrewshire Council); David Leese, Chief Officer, Sarah Lavers, Chief Finance Officer, Jean Still, Head of Administration and James Higgins, Project Officer (all Renfrewshire Health and Social Care Partnership); and John Cornett, Audit Director and Mark Ferris, Senior Audit Manager (both Audit Scotland).

### Apology

David Wylie (Health Board staff member involved in service provision).

### Declarations of Interest

There were no declarations of interest intimated prior to the commencement of the meeting.

## **Additional Item**

The Chair intimated that there was an additional item of business in relation to Capability Scotland which had not been included in the notice calling the meeting. The Chair, being of the opinion that the item which is dealt with at item 2 below, was urgent in view of the need to advise members of the position, authorised its consideration.

### **1 Minute**

The Minute of the meeting of the Integration Joint Board (IJB) Audit Committee held on 14 September 2018 was submitted.

**DECIDED:** That the Minute be approved.

### **2 Capability Scotland**

Under reference to item 3 of the Minute of the meeting of this IJB Audit Committee held on 26 January 2018 the Chair advised that she had had discussions with the Chief Internal Auditor and the Chief Finance Officer regarding scope for the Chief Internal Auditor undertaking an independent audit into the process following Capability Scotland's decision to cease provision of the day care services it operated, on behalf of the Renfrewshire Health and Social Care Partnership, at Whitehaugh, Paisley and West Lane Gardens, Johnstone. The Chair further advised that following these discussions she accepted the opinion of the Auditor that there was no scope for the Chief Internal Auditor to undertake such an audit.

The Chief Internal Auditor advised that it was not her role to audit the partner organisations of the IJB in her capacity as the Chief Internal Auditor for the IJB. She further advised that in her capacity as Chief Auditor of Renfrewshire Council she was of the opinion that there was no suggestion of any wrong doing and that she had taken some comfort from the fact that the IJB had received regular updates from the Chief Officer. As this was not a significant risk to Renfrewshire Council there was no scope to use resources which had already been assigned to other audit areas in Renfrewshire Council's audit plan.

The Chief Officer advised that there was ongoing review of the way the HSCP worked with service users. The assessment process had been led by a professional organisation and no service user had lost any service or suffered any diminution of service throughout the process.

Some members expressed concern that there would be no audit undertaken or review in place which would give assurance to the public and that, in their opinion, this would inflame local opinions and the public perception would be that the IJB were not doing what it said it would do.

The Chair further advised that she had discussed this matter with the Head of Mental Health, Addictions & Learning Disability Services and proposed that she undertake a reflective exercise and submit a report on her findings to a future meeting of the IJB Audit Committee. The Chief Finance Officer proposed that the Contracts Manager also be involved in this process.

It was noted that the only process on offer to the IJB Audit Committee was that the Head of Mental Health, Addictions & Learning Disability Services and the Contracts Manager undertake a reflective exercise and submit their findings to a future meeting of the IJB Audit Committee.

Morag Brown advised that her fundamental concern was that there was a reputational risk to the IJB and regretted the fact that the scope of this audit was not a priority for the Chief Auditor, Renfrewshire Council. Morag further advised that whilst she was in agreement with the Head of Mental Health, Addictions & Learning Disability Services and the Contracts Manager undertaking a reflective exercise, her preference would still be that the Chief Internal Auditor meet with members of the Audit Committee to establish the scope of an independent audit and thereafter the Chief Internal Auditor advise the Audit Committee of the audit process.

Morag requested that her dissent be recorded in the Minute and this was agreed.

**DECIDED:** That the Head of Mental Health, Addictions & Learning Disability Services and the Contracts Manager undertake a reflective exercise and submit their findings to a future meeting of the IJB Audit Committee.

### **3 Internal Audit Plan 2018/19 - Progress**

Under reference to item 2 of the Minute of the meeting of the IJB Audit Committee held on 14 September 2018, the Chief Internal Auditor, Renfrewshire Council, submitted a report providing an update on the progress of the internal audit plan for 2018/19, a copy of which formed the appendix to the report.

The plan set out a resource requirement of 35 days, including assurance work, time for follow-up of previous recommendations, ad-hoc advice and planning and reporting.

The report intimated that the assurance engagement to review the governance arrangements for the IJB was currently ongoing and that the agreed review of the adequacy and compliance with the Local Code of Corporate Governance would commence in this current quarter.

It was noted that time for planning and reporting had been used for annual reporting on the 2017/18 annual audit plan, reviewing the IJB internal audit reporting arrangements and reporting on specific audit engagements. Training briefings had also been presented to members of the IJB Audit Committee on audit and risk related topics.

The report highlighted that all critical recommendations identified as part of the annual follow-up exercise must be supported by evidence to demonstrate that they had been implemented. The Chief Internal Auditor would report details of outstanding critical recommendations to the IJB Audit Committee on conclusion of the annual follow-up exercise.

**DECIDED:** That the progress against the internal audit plan for 2018/19 be noted.

### **4 Audit Scotland Annual Audit Plan 2018/19**

The Chief Finance Officer submitted a report relative to the annual audit plan 2018/19 for the IJB which outlined Audit Scotland's planned activities in their audit for the 2018/19 financial year.

The report highlighted that the annual audit plan 2018/19 included a section on Audit Issues and Risks and that within this section Audit Scotland had identified a risk of 'management override of controls'. This risk had been included in the audit plans of all bodies which Audit Scotland worked with, in light of updated international standards on auditing. The inclusion of this risk was not a reflection of increased risk within the Joint Board and Audit Scotland had confirmed that they had not found any issues on this in previous years.

**DECIDED:** That Audit Scotland's annual audit plan 2018/19 be noted.

## **5 Annual Internal Audit Plan 2019/20**

The Chief Internal Auditor submitted a report relative to the annual internal audit plan for 2019/20, a copy of which formed the appendix to the report.

The report intimated that, in line with the requirements of the Public Sector Internal Audit Standards, a risk-based internal audit plan for 2019/20 had been developed which set out a resource requirement of 35 days, including assurance work, time for follow-up of previous recommendations, ad-hoc advice and planning and reporting.

The allocation of internal audit resources was sufficient to allow emerging priorities and provided adequate coverage of governance, risk management and internal control to inform the annual assurance statement.

The audit plan might be subject to amendment during the course of the year due to the emergence of issues of greater priority or other unforeseen circumstances and any change would be reported to the IJB Audit Committee.

The NHS Greater Glasgow and Clyde Strategic Internal Audit Plan 2018/19 to 2020/21, which had been approved by their Audit and Risk Committee in September 2018, was tabled at the meeting.

**DECIDED:**

- (a) That the internal audit plan for 2019/20 be approved;
- (b) That the content of the NHS Greater Glasgow and Clyde Strategic Internal Audit Plan 2018/19 to 2020/21 be noted; and
- (c) That it be noted that the internal audit plan for 2019/20 would be shared with Renfrewshire Council and NHSGG&C.

## **6 Integration Joint Board and Health and Social Care Partnership Risk Registers**

The Chief Officer submitted a report providing an update on the status of the risk registers currently being maintained by Renfrewshire Health and Social Care Partnership (HSCP).

The IJB risk register, which formed Appendix 1 to the report, noted risks specifically relating to the IJB in respect of financial sustainability and accountability for delivery of the strategic plan. There were four live risks, two with a high-risk level and two with a moderate-risk level.

The HCSP risk register, which formed Appendix 2 to the report, was maintained, updated and reported in line with the expectations of both NHSGG&C and Renfrewshire Council. There were 13 live risks, eight with a high-risk level and five with a moderate-risk level.

It was proposed that in future editions of the risk registers, information be included around control measures for reputation risk to the IJB; Brexit and the risks around working as part of two organisations; and settled status; that the IJB risk register be approved; and that the HSCP risk register be noted. This was agreed.

**DECIDED:**

- (a) That in future editions of the risk registers, information be included around control measures for reputation risk to the IJB; Brexit and the risks around working as part of two organisations; and settled status;
- (b) That the IJB risk register be approved; and
- (c) That the HSCP risk register be noted.

## **7 Local Code and Sources of Assurance for Governance Arrangements**

Under reference to item 5 of the Minute of the meeting of the IJB Audit Committee held on 26 January 2018 the Head of Administration submitted a report seeking approval of an updated Local Code and Sources of Assurance for Governance Arrangements, a copy of which was appended to the report.

The report intimated that the IJB operated through a governance framework based on legislative requirement, governance principles and management processes and that the IJB worked to ensure that its governance arrangements were robust and based on good practice. The Local Code included identified sources of assurance which enabled the IJB Audit Committee to review and assess its governance arrangements against which it would measure itself in Annual Governance Statements from 2018/19 onwards.

It was noted that the review of the Local Code of Governance Arrangements and scrutiny of the outcome of that review in the 2018/19 Annual Governance Statement would be carried out by the IJB Audit Committee in advance of being presented to the IJB for approval.

The Head of Administration advised that the Chief Internal Auditor had requested that information be added to the Local Code and Sources of Assurance around financial statements; workforce planning; and standing orders.

It was proposed that information be added to the Local Code and Sources of Assurance around financial statements; workforce planning; and standing orders and that subject to the additional information being added the updated Local Code and Sources of Assurance be approved and submitted to the IJB.

**DECIDED:**

- (a) That information be added to the Local Code and Sources of Assurance around financial statements; workforce planning; and standing orders; and

(b) That, subject to the additional information being added, the updated Local Code and Sources of Assurance be approved and submitted to the IJB.

## **8 Training for Audit Committee Members**

Under reference to item 4 of the Minute of the meeting of the IJB Audit Committee held on 14 September 2018, the Chief Internal Auditor submitted a report relative to training for IJB Audit Committee members.

Appendix 1 to the report detailed the programme of training briefings agreed at the meeting of the IJB Audit Committee held on 29 June 2018.

Appendix 2 to the report, which was tabled at the meeting, provided an outline of the briefing to be delivered on the role of internal audit, which was the final briefing on the current briefing programme. The Chief Internal Auditor delivered her presentation to members.

### **DECIDED:**

(a) That the content of the briefing on the role of internal audit be noted; and

(b) That members of the IJB Audit Committee consider future topics for inclusion on the briefing programme 2019/20.

## **9 Date of Next Meeting**

**DECIDED:** That it be noted that the next meeting of the IJB Audit Committee would be held at 9.00 am on 28 June 2019 in the Abercorn Conference Centre, Renfrew Road, Paisley.

## **Valedictory**

The Chair advised that this was Morag Brown's last IJB Audit Committee before she stood down as a non-executive member of the NHSGG&C Board. Members thanked Morag for her contribution to the IJB and the IJB Audit Committee.