
To: Renfrewshire Integration Joint Board Audit Committee

On: 26 January 2018

Report by: Head of Administration

Heading: Local Code and Sources of Assurance for Governance Arrangements

1. Summary

- 1.1. At its meeting on 23 June 2017, the Integration Joint Board (IJB) approved a Local Code of Corporate Governance based on the seven principles of CIPFA's and SOLACE's Framework.
- 1.2. The Local Code includes identified sources of assurance which enable the IJB Audit Committee to review and assess its governance arrangements, against which it will measure itself in Annual Governance Statements from 2017/18 onwards.
- 1.3. At its meeting on 24 November 2017, the IJB Audit Committee agreed that further work would be undertaken to populate the Sources of Assurance template to rate compliance against each principle and provide updates, as appropriate, against the status of each source.
- 1.4. A copy of the updated Sources of Assurance is included at Appendix 1.
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2. Recommendations

It is recommended that the IJB Audit Committee:

- Review and approve the Sources of Assurance attached in Appendix 1;
 - Note, as previously agreed, the annual review of IJB governance arrangements will be scrutinised by the IJB Audit Committee in advance of IJB approval.
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3. Background

- 3.1. The IJB's approved Annual Governance Statement for 2015/16 confirmed that it had adopted governance arrangements that were consistent with the principles of CIPFA's and the Society of Local Authority Chief Executives' (SOLACE) framework 'Delivering Good Governance in Local Government: Framework' and the Statement explained how the IJB complied with the Framework and also met the Code of Practice on Local Authority Accounting in the UK.
- 3.2. While the Framework is written in a Local Authority context, most of the principles are applicable to the IJB, particularly as legislation recognises IJBs as a local government body under Part VII of the Local Government (Scotland)

Act 1973, and therefore subject to the Local Authority Accounting Code of Practice.

- 3.3. At its meeting on 23 June 2017, the IJB approved a Local Code of Corporate Governance based on the seven principles of CIPFA's and SOLACE's Framework.

4. Sources of Assurance

- 4.1. The Local Code includes identified sources of assurance which enable the IJB to review and assess its governance arrangements, against which it will measure itself in Annual Governance Statements from 2017/18 onwards.
- 4.2. Appendix 1 provides an update on the current status of each source of assurance, highlighting where any sources have still to be developed or updated, and confirms review arrangements for all sources which are in place.

5. Compliance with Local Code

- 5.1. The Local Code of Governance Arrangements is a statement of the policies and procedures through which we direct and control our functions and how we interact with service users, the local community and other stakeholders. It enables the IJB to demonstrate that its governance structures comply with the core and sub principles contained in the Framework, and test their governance structures and partnerships against the Framework's principles.
- 5.2. The Local Code of Corporate Governance is subject to ongoing review by the Chief Finance Officer to ensure that internal controls, risk management and other governance arrangements are improved through the implementation of the framework. The update on the Local Code will be brought to the January 2018 Audit Committee.

6. Future Governance Arrangements

- 6.1. It is recommended that the review of the Local Code of governance arrangements, and scrutiny of the outcome of that review in the 2017/18 Annual Governance Statement, is carried out by the IJB Audit Committee in advance of being presented for IJB approval.

Implications of the Report

- 1. Financial – Nil**
- 2. HR & Organisational Development – Nil**
- 3. Community Planning – Nil**
- 4. Legal** – The Local Code and Sources of Assurance ensure that the Integration Joint Board is compliant with the Integrated Resource Advisory Group guidance in relation to audit provision and the Local Authority Accounts (Scotland) Regulations 2014.
- 5. Property/Assets – Nil**
- 6. Information Technology** – managing information and making information available may require ICT input.
- 7. Equality & Human Rights** – The recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement have been identified arising from the recommendations contained in the report. If required following implementation, the actual impact of the recommendations and the mitigating actions

will be reviewed and monitored, and the results of the assessment will be published on the Council's website.

8. **Health & Safety – Nil**

9. **Procurement – Nil**

10. **Risk** – Without a Local Code and Sources of Assurance, there is a risk that the Integration Joint Board does not have an effective framework for the assessment of its governance arrangements.

11. **Privacy Impact** – None. The information to be made available via the Publication Scheme is information which would be disclosed in response to a request under the Freedom of Information (Scotland) Act 2002. This therefore would not include Personal Data as defined by the Data Protection Act 1998.

List of Background Papers – Local Code and Sources of Assurance for Governance, 24 November 2017, Renfrewshire IJB

Author: Jean Still, Head of Administration

Appendix 1: Sources for Assurance Overview

1. Principle A Behaving with integrity, demonstrating strong commitment to ethical values and representing the rule of the law.				
SOURCE	STATUS		ADDITIONAL INFORMATION	
	IN PLACE AND UP-TO-DATE	CURRENT DRAFT BEING UPDATED	OUTSTANDING	
a. Integration Scheme		X		The current Integration Scheme was approved by the Scottish Ministers in June 2015. The current Integration Scheme is being updated to reflect the changes in relation to the Carers Act. An updated copy of the Integration Scheme will be brought to the IJB in March 2018.
b. Governance Arrangements and Structure (IJB and Committees)	X			The IJB is established with a full membership. Members from the IJB have also been identified to be members of the Audit Committee, alongside the Chief Internal Auditor.
c. Standing Orders	X			Procedural Standing Orders for the IJB were approved on 18 September 2015. Procedural Standing Orders for the IJB Audit Committee were approved by the IJB on 20 November 2015.
d. Code of Conduct	X			Regular updates are provided to members by the Standards Officer.
e. Declaration of Interests	X			A process is underway for Voting Members to complete a register of interests in line with the Ethical Standards in Public Life Etc (Scotland) Act 2000.

				The register for the IJB is maintained by the Standards Officer.
f. IJB Induction	X			An Induction Pack has been developed and is shared with members as and when required (e.g. following a change in membership etc).
g. IJB Development Programme	X			Regular development sessions take place with IJB members throughout the year to allow discussion on key current and emerging issues. A development programme for IJB Audit Committee members has been arranged across NHSGGC in collaboration with CIPFA to build knowledge and understanding. A schedule of development sessions have been arranged until June 2018. • Friday 2 March 2018 • Friday 27 April 2018 • Friday 1 June 2018
h. Financial Regulations	X			The Financial Regulations for the IJB were agreed on 19 June 2015 by the Shadow IJB.
i. Annual Accounts (including Governance Statement, Statement of Income and Expenditure and Balance Sheet)	X			The Annual Accounts for the IJB are presented in June each year prior to them being submitted for audit before the Statutory deadline of 30 June each year. The Audited Accounts, including a report from the Auditor, are submitted to a future meeting of the IJB Audit Committee and IJB for consideration.

j. Annual Audit Report	X			An annual Internal Audit Report is submitted to the IJB Audit Committee by the Chief Internal Auditor.
k. Audit Plans (Internal and Third Party)	X			Internal and External Audit Plan are submitted to the IJB Audit Committee.
l. Information Governance (Freedom of Information, Records Management and Information Sharing)	X			A bi-annual update is reported to the IJB which includes performance updates in relation to Complaints, Freedom of Information and Health & Safety.
m. Clinical and Care Governance Arrangements and Reporting	X			An annual update in relation to Clinical, Care and Quality Governance arrangements is reported to the IJB. The last update was presented to the IJB on 10 March 2017.

2. Principle B Ensuring openness and comprehensive stakeholder engagement.				
SOURCE	STATUS			ADDITIONAL INFORMATION
	IN PLACE AND UP-TO-DATE	CURRENT DRAFT BEING UPDATED	OUTSTANDING	
a. Governance Arrangements and Structure (IJB and Committees)	X			Please see point 1b, above.
b. IJB Membership (incl. Stakeholder Members for patients/service users, carers, third and independent sectors and Trade Unions)	X			The IJB Membership includes representation from all the prescribed stakeholder groups per the Public Bodies Scotland Act.

c. Publication of IJB and Committee papers	X			IJB (and IJB Audit Committee) papers are publically available on both Renfrewshire Council and Renfrewshire HSCP websites. Meetings are held in public venues.
d. Strategic Plan	X			Strategic Plan is in place. A process is in place to review this on a regular basis with updates being brought back to the IJB for approval.
e. Locality Plans	X			Locality Plans are in place within the IJB Strategic Plan.
f. Participation and Engagement Strategy, including Communication Strategy	X			The Participation, Engagement and Communication (PEG) Strategy has a supporting Action Plan which is refreshed bi-annually and progress reported to the IJB at the same frequency.
g. Equalities Mainstreaming and Outcome Plan		X		IJBs are required to publish a set of equality outcomes and a progress report under the Equality Act 2010. The first report since the establishment of the IJB was approved on 18 March 2016. The next update will be considered at the IJB meeting in March 2018, per the agreed 2-yearly update frequency.

3. Principle C Defining outcomes in terms of sustainable economic, social and environmental benefits.				
SOURCE	STATUS			ADDITIONAL INFORMATION
	IN PLACE AND UP-TO-DATE	CURRENT DRAFT BEING UPDATED	OUTSTANDING	
a. Strategic Plan	X			Please see 2d, above.
b. Locality Plans	X			Please see 2e, above.
c. Ongoing Development of Other Strategies/Plans (e.g. Children and Young People Services Plan, Dementia Strategy, Commissioning and Procurement Strategy and Communications Strategy)	X			Regular updates on key and emerging issues are shared with IJB members in both development mode and formal meetings by way of update reports/presentations.
d. Performance Management Framework and Reporting	X			The Performance Management Framework for reporting was agreed by the IJB. A Performance Management Update is presented at each IJB meeting. A full year performance scorecard is presented on a 6 monthly basis.
e. Annual Performance Report	X			An Annual Performance Report is published on an annual basis. The last report was presented to the IJB on 23 June 2017.

4. Principle D Determining the interventions necessary to optimise the achievement of intended outcomes.				
SOURCE	STATUS			ADDITIONAL INFORMATION
	IN PLACE AND UP-TO-DATE	CURRENT DRAFT BEING UPDATED	OUTSTANDING	
a. Risk Management Strategy and Procedure and Reporting	X			A Risk Management Strategy, Procedure and Reporting arrangements are in place. Regular reporting to the IJB Audit Committee.
b. Budget Monitoring and Reporting	X			A Financial Report is presented to each meeting of the IJB.
c. Performance Management Framework and Reporting	X			Please see 3d, above.
d. Audit Plans and Assurance (Internal and Third Party)	X			Please see 1k, above
e. Clinical and Care Governance Arrangements and Reporting		X		Please see 1m, above.

5. Principle E Developing the entity's capacity, including the capability of its leadership and individuals within it.				
SOURCE	STATUS			ADDITIONAL INFORMATION
	IN PLACE AND UP-TO-DATE	CURRENT DRAFT BEING UPDATED	OUTSTANDING	
Workforce Plan (including Organisational Development Strategy)	X			A Service Improvement and Organisational Development Strategy (including a Workforce Plan) was submitted to the IJB on 23 June 2017. An annual update will be presented to the IJB.
IJB Induction	X			Please see 1f, above.
IJB Development Programme	X			Please see 1g, above.

6. Principle F Managing risk and performance through robust internal control and strong public financial management.				
SOURCE	STATUS		OUTSTANDING	ADDITIONAL INFORMATION
	IN PLACE AND UP-TO-DATE	CURRENT DRAFT BEING UPDATED		
Integration Scheme	X			Please see 1a, above.
Financial Regulations	X			Please see 1h, above.
Budget Monitoring and Reporting	X			Please see 4b, above.
Annual Accounts (including Governance Statement, Statement of Income and Expenditure and Balance Sheet)	X			Please see 1i, above.
Annual Audit Report	X			Please see 1j, above.

Risk Management Strategy and Procedure and Reporting	X				Please see 4a, above.
Audit Plans and Assurance (Internal and Third Party)	X				Please see 1k, above.
Clinical and Care Governance Arrangements and Reporting	X				Please see 1m, above.

7. Principle G					
Implementing good practices in transparency, reporting and audit to deliver effective accountability.					
SOURCE	STATUS			ADDITIONAL INFORMATION	
	IN PLACE AND UP-TO-DATE	CURRENT DRAFT BEING UPDATED	OUTSTANDING		
IJB and Committee Reporting Framework and Schedule	X				Please see 1b, above.
Publication of IJB and Committee papers	X				Please see 2c, above.
Financial Regulations	X				Please see 1h, above.
Financial Reporting (e.g., Budget Monitoring, Financial Allocations and Budgets and Capital Programme)	X				A Financial Report is presented to each meeting of the IJB.
Annual Accounts (including Governance Statement, Statement of Income and Expenditure and Balance Sheet)	X				Please see 1i, above.
Annual Audit Report	X				Please see 1j, above.

Risk Management Strategy and Procedure and Reporting	X				Please see 4a, above.
Performance Management Framework and Reporting	X				Please see 3d, above.
Annual Performance Report	X				Please see 3e, above.
Audit Plans and Assurance (Internal and Third Party)	X				Please see 1k, above.
Clinical and Care Governance Arrangements and Reporting	X				Please see 1m, above.