



**MINUTES OF THE MEETING OF THE
EAST LOTHIAN INTEGRATION JOINT BOARD
AUDIT & RISK COMMITTEE**

**TUESDAY 6 DECEMBER 2016
COUNCIL CHAMBER, TOWN HOUSE, HADDINGTON**

Members Present:

Councillor J Goodfellow (Chair)
Mr A Joyce
Mr P Murray

Council/NHS Lothian Officers Present:

Mr S Allan
Ms M Garden
Mr D King
Mr D Small

Others Present:

Ms E Scoburgh, Audit Scotland
Mr D Melly, Audit Scotland

Clerk:

Ms F Currie

Apologies:

Councillor S Currie

Declarations of Interest:

None

In the absence of Councillor Currie, Councillor Goodfellow chaired the meeting.

1. MINUTES OF THE IJB AUDIT & RISK COMMITTEE MEETING OF 25 AUGUST 2016 (FOR APPROVAL)

The Clerk advised the members of an error in the draft minutes relating to Items 5 and 6. She stated that paragraph (iii) of the decision was incorrect and suggested that it be replaced by the following wording:

“... (iii) accepts that there remain a number of outstanding issues which require to be addressed as part of the financial assurance process for 2016/17.”

The amendment was proposed by Peter Murray and seconded by Alex Joyce and the minutes of the East Lothian IJB Audit & Risk Committee meeting of 21 June 2016 were approved, as amended.

2. MATTERS ARISING FROM THE MINUTES OF THE MEETING OF 25 AUGUST 2016

The following matters arising from the minutes of the meeting of 25 August 2016 were discussed:

Annual Accounts – David King advised members that the IJB annual accounts for 2015/16 had been signed and published on the website.

Financial Assurance – Mr King reminded members that this issue had been discussed at length at previous meetings of the Committee and the IJB. He said that a further discussion would take place at the IJB meeting on 21 December to review outstanding matters of financial assurance for 2016/17.

3. IJB RISK REGISTER

Mr King presented the Risk Register for discussion. He indicated that each of the risks related to strategic matters which were the responsibility of the IJB. He advised members of one amendment to the Register – the removal of an item relating to an operational issue – and summarised each of the remaining risks.

Both Mr King and Mr Small responded to questions from members on the nature of the risks, the adequacy of the controls in place and the justification for the risk level scoring.

Councillor Goodfellow suggested that it would be helpful to have the rating and target figures broken down into factors (as per the Council’s Risk Registers) and Mr King agreed to include this in the version presented to the next meeting.

Mr King also asked members to consider whether there should be any additional items included in the Register and to provide these and any other comments in advance of the next meeting.

Decision

The Committee agreed to note the Risk register and to provide comments to the Chief Finance Officer in advance of the next meeting.

4. REFLECTION ON THE ROLE AND WORK OF THE COMMITTEE (ONE YEAR ON)

Mr King advised members that following discussion with Councillor Currie it had been agreed that some time should be set aside for the members to reflect on the role and remit of the Committee. He invited members to consider whether the Committee was adequately discharging its duties to the IJB in respect of financial assurance and scrutiny, or whether there were any tasks which had been overlooked.

Councillor Goodfellow considered that the role and remit of the Committee was adequately defined in its Standing Orders.

Mr Murray suggested that discussion on this issue be deferred to a future meeting allow Councillor Currie to participate. He added that, in his view, performance management was a key aspect of financial assurance and it would be important to include this issue in any future discussion. Mr Murray also suggested that it would be useful to have input from Internal Audit.

Mala Garden advised that Internal Audit's audit plan contained five items: Health & Social Care Integration Fund, Performance Monitoring, Financial Assurance, Directions (this audit would be undertaken by NHS Lothian's audit team) and other Audit work. She suggested that it would be useful for the Committee to have a work plan within which Internal Audit could timetable its reports and, in the meantime, it was her intention to bring the first audit report to the Committee's February meeting.

Decision

The Committee agreed to delay discussion of this item until the meeting on 21 February 2017.

5. IJB EXTERNAL AUDITORS

An introductory letter was tabled by Audit Scotland to provide the Committee with further information on its appointment as the IJB's new external auditors.

Esther Scoburgh, Audit Manager, presented the letter. She introduced the wider audit team and outlined the audit approach, reporting arrangements and key timescales.

In response to questions from Mr Murray, Ms Scoburgh provided further details on the likely scope of the audit work. She also acknowledged that there had been some frustrations for the IJB as a result of the misalignment of budget planning timetables within the NHS and Council. Mr Small indicated that for 2017/18 the Partners' budget sign-off procedures would be more closely aligned.

6. AUDIT REPORTS FROM OTHER BODIES OF INTEREST TO THE IJB

A report was submitted by the Chief Finance Officer highlighting audit reports from both the partner bodies (East Lothian Council and NHS Lothian) and Audit Scotland of areas of interest to the IJB Audit and Risk Committee.

Mr King provided a brief summary of each audit report highlighting the areas of particular relevance to the IJB. He also advised members that at a recent meeting of

the various audit committee chairs it was agreed that the NHSiL audit reports would be made available to all of the IJBs.

Ms Garden stated that no formal information sharing agreement currently existed between the Committee and the Council's Audit & Governance Committee. She suggested putting a paper to the next meeting of the Audit & Governance Committee for discussion and, in the meantime, executive summaries of completed audit reports were available on the Council's website.

Mr Small added that feedback from the NHS Healthcare Governance Committee and the Council's Policy & Performance Review and Audit & Governance Committees would be on the agenda for the next meeting of the IJB.

In response to questions from members, Ms Garden outlined the arrangements between NHS Lothian and the four local authorities for sharing resources and responsibilities for specific audits. Mr King confirmed that performance management remained an issue for IJBs with differing views on the level of detail to be provided in reports and whether the initial scrutiny of this detail should be done at IJB or committee level.

Mr Murray commented on the importance of performance management to allow the IJB to challenge how money is being spent as well as the level of services being provided. However he did not consider that full meetings of the IJB were the place to tease out these issues.

Mr Small reminded members that a report on performance management had been presented to the IJB's August meeting. The IJB had agreed that one further report should be forthcoming following which they would review the scope and level of information being presented and whether there was a need for a separate committee to focus on performance management.

Decision

The Committee agreed to:

- (i) note the contents of the report; and
- (ii) consider if any actions arising from the report should be brought to the attention of the IJB.

7. ANY OTHER COMPETENT BUSINESS

Mr King advised members that consideration needed to be given to a work plan and the scheduling of meetings for 2017. He said he would prepare proposals for discussion at the Committee's February meeting.

Mr Murray referred to the NHS Lothian Hospitals Plan which would have relevance for areas such as delayed discharges and care home beds. He added that there may be an issue for the IJB if the Hospitals Plan did not also reflect the priorities laid out in the IJB's Strategic Plan.

Mr Small advised that the Hospitals Plan would be presented to the IJB's meeting on 21 December and members would have to opportunity to comment on the proposals for non set-aside services.

Signed

.....

Councillor Jim Goodfellow
Acting Chair of the East Lothian IJB Audit & Risk Committee