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

WEDNESDAY 17 MARCH 2021
VIA DIGITAL MEETINGS SYSTEM

Members Present:
Dr P Donald (Chair)
Councillor S Akhtar (*substitute)
Ms F Ireland
Councillor S Kempson
Mr D Binnie

Officers Present:
Ms C Flanagan
Mr I Gorman
Mr D Stainbank

Others Present:
Ms E Scoburgh, Audit Scotland

Clerk:
Ms F Currie

Apologies:
Councillor F O'Donnell*

Declarations of Interest:
None

1.   **MINUTES OF THE IJB AUDIT AND RISK COMMITTEE MEETING OF 8 DECEMBER 2020**

The minutes of the East Lothian IJB Audit and Risk Committee meeting held on 8th December 2020 were approved.

2.   **MATTERS ARISING FROM THE MINUTES OF 8 DECEMBER**

The following matters arising were dealt with:

Covid-19 Costs and Funding 2020/21 (Item 6): Councillor Akhtar asked if further funding had been provided by the Scottish Government 2020/21. Claire Flanagan confirmed that the final tranche of funding had been received at the end of January and that the IJB had now been fully funded for Covid-19 costs incurred in 2020/21. She added that she could now provide good assurance that the IJB budget would be in a breakeven position by the end of 2020/21 financial year.

3.   **RISK REGISTER**

A report was submitted by the Chief Finance Officer laying out the IJB's risk register.

Ms Flanagan presented the register drawing attention to changes since the Committee's last meeting and highlighting the following updates:

EU Exit   this was a new risk added following discussion at the previous Committee meeting. It had been rated as 'medium' and control measures had been identified and put in place.

Covid-19   this risk due date had been extended to June 2021

3924   the due date had been extended to June 2021 and an update on progress with the partners' budget offers for 2021/22 had been added.

4947   a paper had been presented to the last meeting of the Committee in December 2020 and the Committee had asked that regular update be provided.

There were no significant changes to the remaining 3 risks in the register.

Ms Flanagan responded to questions from members. She advised that no formal announcement had yet been made by the Scottish Government regarding Covid-19 funding for 2021/22. She added that depending on the year end position it may be possible to bring forward some funding as part of earmarked reserves from 2020/21. She confirmed that the target for reserves was 2% or approximately £3m and that the IJB's reserves currently sat at about 1 - 1.5%.

Replying to a question on the inclusion of workforce pressures and health and wellbeing of staff, she advised that these issues would be included in the Health & Social Care Partnership (HSCP) risk register which dealt with operational matters, including risks directly related to workforce pressures.

Councillor Akhtar suggested that a new risk be included in the register which related to East Lothian's population demographic – an increase in both the younger and older age groups presented particular challenges for health and social care services. This

suggestion was supported by members and Ms Flanagan agreed to consider whether this risk would best sit in the IJB or HSCP risk register.

The Chair suggested that further clarity was required on the interrelationship between the two registers. While she understood that the IJB register contained strategic risks and the HSCP register contained operational risks, it was not always clear where these overlapped.

Fiona Ireland reminded members that the HSCP risk register had been presented to the Committee some time ago alongside the IJB risk register. It might be useful for this document to be presented again to a future meeting to allow members to better understand the differences between the two and the overlaps.

The Chair supported this proposal and Ms Flanagan agreed to present the HSCP risk register at the next meeting of the Committee.

Decision

The Committee agreed to:

     i.   Note the current risk register; and
    ii.   Add 'East Lothian Demographic' to the IJB or HSCP risk register.

4.   EAST LOTHIAN IJB ANNUAL AUDIT PLAN 2020/21

A verbal update was provided by Esther Scoburgh, Senior Auditor at Audit Scotland, on the preparation of the 2020/21 annual audit plan.

Ms Scoburgh informed members that Audit Scotland now recognised that the original plan for 2020/21 to be a transitional year before returning more closely to pre-existing timetables, was no longer viable. As a result, in February 2021 they set out clear priorities to help manage the ongoing impact of the pandemic on their capacity to deliver audit work. IJB audit work would be prioritised as much as possible to meet the current planning guidance deadline of 31 October 2021 sign off. Ms Scoburgh stated that discussions had taken place with the Chief Finance Officer and the Chief Internal Auditor and a draft plan would be circulated shortly for their approval. Once formally agreed, the 2020/21 annual audit plan would circulated to all Committee members for information.

Ms Scoburgh replied to questions from members. She advised that while planning work had been delayed she was confident that her team could meet the deadline for completion of the final audit report in time for presentation at the Committee's meeting in September. She said she was mindful of the ongoing pressures on health & social care staff and her own audit staff and that they would continue to adopt a flexible and pragmatic approach to their work.

Ms Flanagan concurred with Ms Scoburgh's remarks stating that the audit deadlines had been met in 2020 without the need for the extension to 31st October. Their intention was to do the same this year. She added that she would be using her role as CFO as a filter to respond to queries as far as possible and to reduce the amount of work passed work on to frontline managers.

Decision

The Committee agreed to note the update on the preparation of annual audit plan and that the plan would be agreed with the Chief Finance Officer/Chief Internal Auditor and circulated to Committee members for information.

5.   COVID19: IMPACT ON PUBLIC AUDIT IN SCOTLAND - AUDIT SCOTLAND

A briefing paper 'Covid-19: Impact on Public Audit in Scotland' had been submitted by Audit Scotland.

Ms Scoburgh advised members that this briefing note was presented to the Committee for information. The paper had previously been circulated in summer 2020 and had recently been updated to take account of the ongoing restrictions.

Decision

The Committee agreed to note the contents of the briefing paper.

6.   INTERNAL AUDIT PLAN FOR 2021/22

A report was submitted by the Chief Internal Auditor informing the Committee of Internal Audit's operational plan for 2021/22.

Duncan Stainbank presented the report outlining the background and the range of factors taken into account when preparing the plan. He advised that the Council's Internal Audit Team would continue to work closely with the Internal Audit Team within NHS Lothian and that all reports would be reviewed by the Chief Officer and Chief Finance Officer and presented to the Audit & Risk Committee. He then summarised the scope of the plan for 2021/22 noting that Covid-19 may continue to impact work on audits during the coming year.

Mr Stainbank responded to a number of questions. He explained that the focus of the risk management audit would be on the process and the alignment of information between the IJB and its partners, including risk registers. He provided further detail on the scope of the proposed audit on the workforce planning and confirmed that this report would be presented to the Committee's June meeting. Mr Stainbank also informed members that in addition to the work carried out by his team during the year, there would have 15 days of support from the NHS Lothian Internal Audit team.

The vote on the recommendation, as amended, was taken by roll call:

Councillor Shamin Akhtar	Agreed
Ms Fiona Ireland	Agreed
Councillor Susan Kempson	Agreed
Dr Patricia Donald	Agreed

Decision

The Committee approved the Internal Audit Plan for 2021/22.

Signed   ....

                   Dr Patricia Donald
                   Chair of the East Lothian IJB Audit and Risk Committee