

Minute of Meeting



Midlothian Integration Joint Board Audit and Risk Committee

Date	Time	Venue
Thursday 3 September 2020	2.00pm	Virtual Meeting – MS Teams

Present (voting members):

Cllr Jim Muirhead (Chair)	Cllr Derek Milligan
Carolyn Hirst	Pam Russell (Independent Member)
Mike Ash	

Present (non-voting members):

Morag Barrow (Chief Officer)	Claire Flanagan (Chief Finance Officer)
Jill Stacey (Chief Internal Auditor)	

In attendance:

Grace Scanlin (EY, External Auditor)	Marie Sharp (Local Reporter)
Janet Ritchie (Democratic Services Officer)	

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1. Welcome and introductions

The Chair, Councillor Jim Muirhead welcomed everyone to the meeting of the Midlothian Integration Joint Board Audit and Risk Committee, following which there was a round of introductions.

2. Order of Business

The order of business was as set out in the Agenda.

3. Declarations of interest

No declarations of interest were received.

4. Note of Meeting

The Minutes of Meeting of the Midlothian Integration Joint Board Audit and Risk Committee held on 5 March 2020 was submitted and approved as a correct record.

5. Public Reports

Report No.	Report Title	Presented by:
5.1	Annual Audit Report to Members and the Controller of Audit - year ended 31 March 2020 – Report by EY, External Auditors	Stephen Reid
Executive Summary of Report		
<p>The purpose of this report was to present the external Annual Audit report to the IJB and the controller of Audit for the year ending 31 March 2020.</p> <p>This report was prepared in accordance with Terms of Appointment letter from Audit Scotland dated 31 May 2016 through which the Accounts Commission appointed EY as external Auditor of Midlothian Integration Joint Board (IJB) for financial year 2016/17 to 2021/22. The Audit is undertaken in accordance with the Local Government (Scotland) Act 1973 and it is EY's responsibility as set out within Audit Scotland's Code of Audit Practice. This report was for the benefit of the IJB and was made available to the Accounts Commission, the Controller of the Audit and Audit Scotland.</p> <p>The external Auditor concluded the audit of the IJB's financial statements for the year ended 31 March 2020 and no audit adjustments were required to be made and there were no unadjusted differences that were required to be communicated. The draft financial statements and supporting working papers were of a good quality. The External Auditor worked with the Chief Finance Officer to make improvements to the Management Commentary and notes to the financial statements to reflect the implication of the Covid-19 global pandemic on the financial statements and the IJB's planning processes.</p> <p>The external Auditor concluded that the other information subject to audit, including the applicable parts of the Remuneration Report and the Annual Governance Statement were appropriate. They were satisfied that the Annual Governance</p>		

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Statement reflected the requirements of the *Delivering Good Governance Framework*, and the key changes in governance arrangements that were required as a result of changes to working practices due to Covid-19.

Summary of discussion

Grace Scanlin, EY, External Auditor provided the Committee with an outline of the report highlighting the key sections contained within the report.

Thereafter the External Auditor responded to Members questions and comments and it was agreed that there were no particular issues or areas for concern.

Decision

The Audit and Risk Committee noted the external auditors report on the MIJB's annual accounts and the Appendices attached to the report.

Action

Chief Officer

Report No.	Report Title	Presented by:
5.2	2019/20 Audited Annual Accounts – Report by Chief Finance Officer	Clare Flanagan

Executive Summary of Report

The purpose of this report was to present for the Committee's consideration and approval the Annual Accounts 2019/20 which had been reviewed by the IJB's Independent Auditors.

As a statutory body, the IJB was required to produce a set of annual accounts at the end of its financial year (31 March). These accounts were then reviewed by the IJB's external auditors who reported their opinion of the IJB's Annual Accounts to the IJB's Audit and Risk Committee. This report having been agreed by the committee and no outstanding issues the Committee would recommend the annual accounts to the IJB.

The accounts would then be signed by the Chair of the IJB, the Chief Officer of the IJB and the Chief Finance Officer of the IJB.

Summary of discussion

Clare Flanagan, Chief Finance Officer presented the Annual Accounts highlighting the high level points contained within the Accounts.

Thereafter the Chief Finance Officer responded to questions and comments raised by Members. It was noted that the recommendation in the cover report was that the committee was approving both the external Auditors report and this report and both these would be presented to the IJB.

Decision

The Audit and Risk Committee, having noted the external Auditors report on the MIJB's Annual Accounts, agreed to recommended the 2019/20 Annual Accounts to the Midlothian Integration Joint Board.

Action

Chief Finance Officer

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Report No.	Report Title	Presented by:
5.3	Risk Register – Report by Risk Manager	Morag Barrow
Executive Summary of Report		
<p>The Integrated Joint Board (IJB) Audit and Risk Committee maintained a strategic risk profile which was regularly scrutinised. However, it was important that Midlothian IJB was kept informed of its key risks and the actions undertaken to manage these risks. This report contains the strategic risk profile covering quarter 4 2019/20 (1 January 2020 – 31 March 2020) and the current version of the IJB's strategic risk profile covering quarter 1 2020/21, 1 April 2020 – 30 June 2020. The Committee members are asked to consider the strategic risk profile and current response to the issues, risk and opportunities.</p>		
Summary of discussion		
<p>Morag Barrow, Chief Officer presented this report advising that there were two risks added since the last time in relation to Covid-19 and Care Homes. The Chief Officer provided assurances that there had been significant planning put in place with regards Covid-19 and that there was daily contact with the teams in the Care Homes.</p> <p>It was noted that as well as the risks relating to Care Homes and the public's perception of this there was the additional risk of the IJB reputation and the Chief Officer advised she was working with the Communication's team on appropriate communication.</p> <p>There followed a discussion on the risks during the Covid response phase and the different risks for the Council and Health Board as well as the ones which were unique to the IJB. It was noted that the IJB was an entity in its own right and the need to capture the strategic risks which relate to the strategic plan. The Chief Finance Officer advised that she was involved in the quarterly discussions and would highlight these points to the Risk Manager.</p>		
Decision		
<p>The Audit and Risk Committee considered the strategic risk profile especially those issues and risks highlighted in the covering report.</p>		
Action		
<p>Risk Manager</p>		

Report No.	Report Title	Presented by:
5.4	Midlothian Health and Social care Integration Joint Board Internal Audit Report on Workforce Development	Jill Stacey
Executive Summary of Report		
<p>The purpose of this report was to present to the Midlothian IJB Audit and Risk Committee Internal Audit's report on Workforce Development arrangements in place within Midlothian Health and Social Care Partnership. The Midlothian IJB Audit and Risk Committee was therefore asked to consider the Midlothian Health and Social Care Integration Joint Board Internal Audit Report on Workforce Development, Appendix 1 attached to the Report, and findings contained therein, and to provide any commentary thereon.</p>		

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Summary of discussion
<p>The Chief Internal Auditor, Jill Stacey advised that the Internal Audit work concluded last year was carried out during 2019/20 by NHS Lothian Internal Auditors. The findings and conclusions of the Internal Audit review were to be included as part of the Annual Assurance report and was presented in full to this Committee for consideration.</p> <p>The Chief Internal Auditor highlighted the main sections contained within the report and in responding to a question raised with regards to the plans for revising some of the dates which are set out in the actions confirmed that flexibility in terms of the implementation dates for these actions had been revised in discussion with management and reasonable review dates agreed.</p>
Decision
<p>The Audit and Risk Committee considered the Internal Audit report on Workforce Development arrangements in place within Midlothian Health and Social Care Partnership (Appendix 1), and findings contained therein.</p>
Action
<p>Chief Internal Auditor</p>

Report No.	Report Title	Presented by:
5.5	Midlothian Integration Joint Board Internal Audit Follow-up Review Completed Recommendations	Jill Stacey
Executive Summary of Report		
<p>The purpose of this report was to provide information on Internal Audit actions flagged as completed during 2019/20 and confirm the adequacy of the new internal controls and governance of the Midlothian Health and Social Care Integration Joint Board (MIJB). The Midlothian IJB Audit and Risk Committee was therefore asked to consider the progress made by Management in implementing Internal Audit recommendations to improve internal controls and governance of the Midlothian Health and Social Care Integration Joint Board.</p>		
Summary of discussion		
<p>The Chief Internal Auditor, Jill Stacey provided the Committee with a brief update on the work carried out by the internal audit team on the completed audit actions to ensure there was evidence on the ongoing improvement of internal control, risk management and governance arrangements.</p> <p>There followed a brief discussion during which the Chief Internal Auditor responded to questions and comments raised by members of the Committee. The Chief Internal Auditor confirmed that a further follow-up report would be presented in December 2020 on progress with the MIJB Internal Audit recommendations still in progress.</p>		

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Decision
The MIJB Audit and Risk Committee was therefore asked to consider the progress made by Management in implementing Internal Audit recommendations to improve internal controls, risk management and governance arrangements of the Midlothian Health and Social Care Integration Joint Board.
Action
Chief Internal Auditor

Report No.	Report Title	Presented by:
5.6	Midlothian Health and Social Care Integration Joint Board Internal Audit Report on Performance Management	Jill Stacey

Executive Summary of Report
<p>The purpose of this report was to present to the Midlothian IJB Audit and Risk Committee Internal Audit's report on Performance Management arrangements in place within Midlothian Health and Social Care Integration Joint Board (MIJB)</p> <p>The Midlothian IJB Audit and Risk Committee was therefore asked to consider the Midlothian Health and Social Care Integration Joint Board Internal Audit Report on Performance Management, Appendix 1 attached to the Report and findings contained therein, and to provide any commentary thereon.</p>
Summary of discussion
<p>Jill Stacey, Chief Internal Auditor presented this report advising that this was one of the focussed internal audit pieces of work on the internal audit plan and provided an update on some of the work undertaken to obtain assurances over the arrangements in place for performance management.</p> <p>There followed a brief discussion on the on the performance measures and the work under way in developing the performance management framework.</p>
Decision
The Audit and Risk Committee considered the Midlothian Health and Social Care Integration Joint Board Internal Audit Report on Performance Management (Appendix 1), and findings contained therein.
Action
Chief Internal Auditor

6. Private Reports

No private business to be discussed at this meeting.

7. Date of next meeting

The next meeting of the Midlothian Integration Joint Board Audit and Risk Committee would be held on Thursday 3 December 2020 at 2.00 pm.

The meeting terminated at 15.17 pm.