

Midlothian Integration Joint Board



| Meeting | Date | Time | Venue |
|--------------------------|---------------------------|--------|--------------------------------------|
| Audit and Risk Committee | Thursday 7 September 2023 | 2.00pm | Virtual Meeting held using MS Teams. |

Present (voting members):

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| Val de Souza (Chair) | Cllr Connor McManus | Cllr Kelly Parry |
| Andrew Fleming | | |

Present (non-voting members):

| | | |
|---|---|------------------------------------|
| Morag Barrow (Chief Officer) | Claire Flanagan (Chief Finance Officer) | Derek Oliver (Chief Officer Place) |
| Duncan Stainbank (Chief Internal Auditor) | | |

In attendance:

| | | |
|---|--|--|
| Gill Main (Integration Manager) | Kay Jenks (Audit Scotland, External Auditor) | Saty Kaur (Chief Officer Corporate Solutions (Acting)) |
| Gary Leadbetter (Democratic Services Officer) | | |

Apologies:

| | | |
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| Nadin Akta | | |
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1. Welcome and Introductions

The Chair welcomed everyone to the meeting.

2. Order of Business

The Order of Business was as detailed in the agenda.

3. Declarations of interest

No declarations of interest were received.

4. Minutes of Meeting

4.1 The Minutes of Meeting of the Audit and Risk Committee held on Wednesday 28 June 2023 was submitted and approved as a correct record.

4.2 Matters Arising: None.

5. Public Reports

5.1 Update on Audited Annual Accounts 2022/23 and External Audit Report 2022/23 Process - CFO Verbal Update

Chief Finance Officer, Claire Flanagan provided a verbal update on Audited Annual Accounts 2022/23 and External Audit Report 2022/23 Process.

Ms Flanagan advised that the Audited Annual Accounts and External Audit Report would normally be presented at the September Midlothian Integration Joint Board (IJB) Audit and Risk Committee. Ms Flanagan explained that the external auditor, Audit Scotland, had been experiencing some resourcing issues leading to potential delays in meeting the September deadline, although work was back on track after both herself and the team had been working with the external auditors to meet this deadline, they had missed the deadline for submission to the Committee. Ms Flanagan explained that, in line with the IGB Standing Orders, the accounts need to be approved by one

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of the IGB's Standing Committees, so the plan is that on 21 September 2023, under the Special MIJB Business Meeting and Development Session the accounts and audit report would be presented for approving the former and noting the latter.

The Chair noted the update and opened it up for questions and comments.

External Auditor, Kay Jenks advised that work was on track to be completed by 21 September 2023.

Andrew Fleming queried if the Special IJB Development Session on 21 September 2023 would be virtual. Chief Officer, Morag Barrow confirmed that the meeting would be virtual.

The Chair thanks Ms Flanagan and Ms Jenks for their updates and assurances.

Action:

- **The Members noted the reasons for the non-submission of the Audited Annual Accounts 2022/23 and External Audit Report 2022/23 and agreed to their submission at the Special MIJB Business Meeting and Development Session on 21 September 2023.**

5.2 Risk Register – Chief Office Place, Derek Oliver

The Integrated Joint Board (IJB) Audit and Risk Committee maintains a strategic risk profile which is regularly scrutinised. However, it is important that Midlothian IJB is kept informed of its key risks and the actions undertaken to manage these risks. This report contains the strategic risk profile covering Quarter 1 2023/24, 1 April 2023 – 30 June 2023.

Chief Officer, Place, Derek Oliver presented the Strategic Risk Profile for Quarter 1 2023/24, advising that this was appended to the report and that there had been no new risks or changes to Risk Evaluation into Quarter 1 from previous Quarter 4 2022/23.

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Mr Oliver advised that there remained to be one critical risk, with respect to 'Impact of New Legislation' and two high risks, with respect to 'Financial Sustainability' and 'Workforce Recruitment and Retention.'

The Chair thanked Mr Oliver for the report and opened it up for questions.

Chief Officer, Morag Barrow highlighted that, in relation to the financial situation, it was set to be a difficult year for both elements of the budget in terms of both the Council spend and NHS spend currently projecting overspend. Ms Barrow advised that work was ongoing with teams and recovery actions were being employed where possible and that some recovery had been achieved in comparison to Quarter 1. Ms Barrow noted some of the significant challenges being experienced, such as prescribing and overspend in learning and disability. Ms Barrow provided reassurance that work to address these challenges was ongoing.

Andrew Fleming raised a question as to whether there was a duplication of risks, noting that 'Issuing of Directions' and 'Financial Sustainability' sounded similar in respect of financial resources. Mr Fleming also questioned whether the assurance reporting in relation to the risk 'Category 1 Responder Status' included desktop exercising, particularly as winter is coming and the challenges this can present. Integration Manager, Gill Main, so as to provide context to the Strategic Risk Profile, advised that there had been work to strengthen internal understanding of the difference between strategic and operational work, some of which has involved the Health and Social Care Partnership (HSCP) realising significant change to its governance structure whilst ensuring there is a robust system in place, which in turn has had a knock on effect on recognising strategic risks. Ms Main explained that, in respect of this, there is still realignment work to be completed and this may be some of the reason around potential duplication.

Action:

- **Chief Officer, Place, Derek Oliver to meet with Andrew Fleming to provide insight into the Strategic Risk Profile.**
- **The Members approved the Quarter 1 2023/24 Strategic Risk Profile.**

5.3 Recommissioning in Matter of Focus and Outnav – Integration Manager, Gill Main

This paper describes the work to establish an integrated performance framework across health and social care and details the proposal and identified funding for continuing this work. A high level overview (appendix 1) is provided of work jointly undertaken by Midlothian Health and

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Social Care Partnership (HSCP) and Matter of Focus to deliver the commission from Midlothian Integration Joint Board (IJB) of developing a performance measurement tool that provides strategic assurance, assurance on the organisational progress towards the 6 strategic aims of the Strategic Commissioning Plan 2022/25, and meets national ambitions in relation to understanding of our contribution to improving outcomes for people and communities. This paper also notes the requirement and intention to support and to develop the organisations understanding of service outputs vs personal outcomes and to better maximise the impact of qualitative data in environments where quantitative data is more frequently requested or valued.

Integration Manager, Gill Main introduced the report, advising that the Matter of Focus work has been a historically more expensive contract than what is being proposed, as this has been significantly reduced by over fifty percent for a contract over the next two years. Ms Main highlighted that, as result of this report, Members are asked to:

- Review the performance of the Matter of Focus Outcomes Measurement Project Commissioned in 2020 noting:
 - that performance against this contract has met and exceeded expectation with significant positive impacts,
 - where performance could be improved with integrated working, and the benefits of developing this practice,
 - the integral role outcome measurement has in the Midlothian IJB and both Midlothian HSCP Performance Framework and Integrated Governance Framework.
- Approve the use of £49,986 of identified funding to be enable the ongoing
 - provision of service described in the proposal for 2023/25
 - provision of the strategic governance required for Midlothian IJB
 - provision of the assurance Midlothian IJB requires of Midlothian HSCP in relation to performance measurements and operational governance through this triangulated approach
 - provision of support for services to deliver on Midlothian IJB Directions 3.1 and 3.3.
- Note the requirement to develop the organisation's understanding of
 - service outputs vs personal outcomes
 - the impact of qualitative data in environments where quantitative data is more frequently requested or valued.

The Chair commended the report and opened it for questions and comments.

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Andrew Fleming raised a question on how this work was being received by staff, given that there are inherent challenges such as understanding how to use a new system which is being embedded. Mr Fleming also questioned what the ongoing contractual and commercial relation with Matter of Focus is, particularly if they are the proprietors of the OutNav software.

In response to Mr Fleming's former question, Chief Officer, Morag Barrow advised that reception had been mixed, with some staff groups embracing the new system with its novel opportunity to capture and measure performance in their service in a novel way. Ms Barrow stated that there are other staff groups that are more resistant. Ms Barrow recognised that this is a significant piece of work that will take time, expressing confidence in the ability to successfully complete the work.

In response to Mr Fleming's latter question, Ms Main advised that Matter of Focus were the only organisation able to provide the OutNav software. Ms Main further advised that the threshold for tendering was not being breached, so the relationship is appropriate and well governed financially. Ms Main noted that the relationship with Matter of Focus has been mutually beneficial and that the relationship and governance has been well received.

The Chair raised a question around motivating the staff through making the work more tangible in terms of the impact on their day-to-day job. Ms Main, in response, highlighted and recognised that the change management process is difficult as it is expected that staff will react and adapt to change at different paces and in different ways, whilst some may never fully accept the change. Ms Main advised that every service had recognised that this new system helps them visualise part of their activities in a unique way that they were previously unable to. Ms Main stated that they were working to recognise where people were struggling or fearful, so that they could be supported, which in turn has also produced useful learning.

The Chair raised a question around the existence and use of contribution analysis. Ms Main stated that there is very little work in health and social care that is attributional, yet much of the way that success or activity is recorded for statutory reporting is attributional. Ms Main noted that this can cause difficulties in attributing the work done, as part of a system, to a change in a personal outcome. Ms Main advised that they are working to help services change their thinking about how they capture activity, so contribution is shown, and that services are indeed moving in this direction.

The Chair thanked and complimented Ms Main for the report.

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Action: The Members agreed to and approved the three recommendations contained within the report.

5.4 Additional Meeting Required Oct/Nov 2023 – CFO Verbal Update

Chief Finance Officer, Claire Flanagan advised that the IJB Audit and Risk Committee is required to meet at least four times each financial year as per paragraph 9 in the Scheme of Administration. Ms Flanagan advised that the Committee held in March was not quorate and as such there is a requirement to hold an additional quorate meeting to satisfy the requirement of four times. Ms Flanagan recommended that a Committee meeting be scheduled for October/November 2023.

Action: The Members noted the requirement to hold an additional meeting. Ms Flanagan to coordinate the scheduling of this additional meeting, in October/November 2023, with the Democratic Services team.

6. Private Reports

No private business to be discussed at this meeting.

7. Date of next meeting

The next scheduled meeting will be held on Thursday 7 December, with recognition that a meeting preceding this is to be scheduled for October/November 2023.

The Chair noted that Nadin had offered her apologies.

The Chair noted that it was Chief Finance Officer, Claire Flanagan's final meeting at an IJB Audit & Risk Committee and thanked her for time and contribution.

(Action: All Members to Note)

The meeting terminated at 14:43