

# Minute of Meeting



## Midlothian Integration Joint Board Audit and Risk Committee

Date	Time	Venue
Thursday 6 December 2018	1.00pm	Conference Room, Melville Housing, The Corn Exchange, 200 High Street, Dalkeith, EH22 1AZ.

### Present (voting members):

Cllr Jim Muirhead (Chair)	Angus McCann
Jane Cuthbert (Independent Member)	Alex Joyce

### Present (non-voting members):

Allister Short (Chief Officer)	Claire Flanagan (Chief Finance Officer)
Jill Stacey (Chief Internal Auditor)	

### In attendance:

Chris Lawson (Risk Manager)	Gordon Aitken (Democratic Services)
Mike Broadway (Clerk)	

### Apologies:

Councillor Pauline Winchester	Stephen Reid (EY, External Auditor)
Sarah Croft (EY, External Auditor)	

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## 1. Welcome and introductions

The Chair, Councillor Jim Muirhead welcomed everyone to this 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 6 September 2018 was submitted. A correction to the minute was proposed with regards to item 5.5 which it was pointed out should read 'annual' plan rather than 'action' plan, also the date of the meeting was '2018' rather than '2017'. With the insertion of these adjustments the minute was thereafter approved as a correct record.

## 5. Public Reports

Report No.	Report Title	Presented by:
5.1	Internal Audit Recommendations – Progress Report	Jill Stacey

### Executive Summary of Report

The purpose of this report was to:

- inform the MIJB Audit and Risk Committee of the number of recommendations raised by Internal Audit;
- note the MIJB Management's reported performance in addressing these issues by the agreed implementation; and
- highlight the main governance and financial risks where recommendations were found to be outstanding.

The report advised that of the 57 recommendations raised since the inception of the MIJB, 49 (86%) were recorded as complete, 2 (4%) had not yet reached their due date, and 6 (10%) were identified as being overdue. After reviewing all the recommendations, MIJB Management have established revised target dates for the 6 overdue recommendations.

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### Summary of discussion

Having heard from the Chief Internal Auditor who responded to Members' questions and comments, the Committee, in considering the revision of target dates, acknowledged that Management had advised that the target dates need to be revised due to the preparation of the 2019-22 Strategic Plan and complexities involved in addressing the risks. This led to a general discussion regarding whether some of the recommendations remained appropriate and whether rather than simply review the target dates consideration might also need to be given to reviewing the recommended action as well.

### Decision

**After further discussion, the Audit and Risk Committee agreed to**

- **note the content of this report;**
- **approve the revised implementation dates, on provision that the corresponding recommendation also be reviewed, in order to ensure that they remained appropriate; and**
- **note that Internal Audit would continue to monitor for completion of the outstanding recommendations and would provide updates to the MIJB Audit and Risk Committee.**

### Action

Chief Internal Auditor/Chief Finance Officer

Report No.	Report Title	Presented by:
5.2	Risk Register - Update	Chris Lawson

### Executive Summary of Report

The purpose of this report was to provide the Audit & Risk Committee with an update on the MIJB Risk Register and the actions being taken to identify and manage risk in order to ensure the successful delivery of the MIJB's key objectives, as detailed in the Strategic Plan. The report also provided the Committee with an overview of the MIJB's operating context taking account of current issues, future risks and opportunities.

### Summary of discussion

Having heard from the Risk Manager who responded to Members' questions, the Committee took the opportunity to review, and comment on, the contents of the current Risk Register. It was felt that it would be useful going forward if the extent of the risks could be quantified and that the narratives used were reviewed to ensure that they provided the necessary information.

### Decision

**The Audit and Risk Committee, after further discussion:-**

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- noted the current Risk Register; and
- confirmed that the risks contained in the Risk Register reflected the current risks/opportunities facing the MIJB.

### Action

Risk Manager/Chief Finance Officer

Report No.	Report Title	Presented by:
5.4	Audit Scotland Reports on Integration	Allister Short
<b>Executive Summary of Report</b>		
<p>This paper brought to the Audit and Risk Committee's attention, the findings of two recent Audit Scotland reports regarding progress with health and social care integration, namely <i>'Health and Social Care Integration –An Update on Progress'</i> and <i>'NHS in Scotland 2018'</i>.</p>		
<b>Summary of discussion</b>		
<p>Chief Officer, Allister Short in presenting the report to the Committee highlighted the key messages arising from the reports, viz –</p> <ul style="list-style-type: none"> <li>• Collaborative leadership and building relationships</li> <li>• Integrated finances and financial planning</li> <li>• Effective strategic planning for improvement</li> <li>• Agreed governance and accountability arrangements</li> <li>• Ability and willingness to share information</li> <li>• Meaningful and sustained engagement</li> </ul> <p>and provided feedback from a development session involving NHS Lothian senior executive colleagues, IJB Chief Officers, chairs and vice chairs and Council Chief Executives within the Lothian area held on 4 December 2018 to discuss the reports in more detail.</p> <p>Thereafter discussion took place on the potential benefits of a more collaborative approach to service provision, for example, the possible benefits that access to leisure facilities could potentially have on health issues like diabetes. The challenging being, being able to offer such services in the current financial climate and also being able to evidence the contribution/extent of the any saving accruing from them. Other issues such as a move to a longer term financial planning model and the ethos of "spend to save" were also discussed.</p>		
<b>Decision</b>		
<p><b>The Audit and Risk Committee:</b></p> <ul style="list-style-type: none"> <li>• Noted the publication of the two Audit Scotland Reports on Integration and the key messages contained in them; and</li> </ul>		

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- **Noted the proposal to prepare a report for a future IJB meeting on how the Midlothian Partnership was performing in relation to the key recommendations of these reports.**

### Action

Chief Officer/Chief Finance Officer

Report No.	Report Title	Presented by:
5.5	Scottish Government Medium Term Health and Social Care Financial Framework	Claire Flanagan
<b>Executive Summary of Report</b>		
The purpose of this report was to bring to the attention of the Audit and Risk Committee the recent publication by Scottish Government of its Medium Term Health and Social Care Financial Framework.		
<b>Summary of discussion</b>		
Claire Flanagan (Chief Finance Officer) provided the Committee with an overview of the key messages arising from the framework and having responding to Member's questions and comments, she confirmed that there was ongoing dialogue nationally with Chief Finance Officers, Scottish Government and COSLA to review and move the framework forward.		
<b>Decision</b>		
<b>After discussion, the Audit and Risk Committee:</b> <ul style="list-style-type: none"> <li>• <b>Noted the publication by Scottish Government of its medium term health and social care financial framework; and</b></li> <li>• <b>Noted the key messages as a result of these reports</b></li> </ul>		
<b>Action</b>		
Chief Finance Officer		

## 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 7 March 2019 at 2.00 pm.

The meeting terminated at 2.00 pm.