

Minute of Meeting



Midlothian Integration Joint Board Audit and Risk Committee

Date	Time	Venue
Thursday 5 December 2019	1.30pm	Meeting Room 5, Midlothian House, Buccleuch Street, Dalkeith EH22 1DN.

Present (voting members):

Cllr Jim Muirhead (Chair)	Carolyn Hirst (substitute for Angus McCann)
Jane Cuthbert (Independent Member)	

Present (non voting members):

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

In attendance:

Pam Russell (MIJB Member)	Chris Lawson (Risk Manager, Midlothian Council)
Mairi Simpson (Integration Manager, Midlothian Council)	Mike Broadway (Clerk)

Apologies:

Councillor Pauline Winchester	Angus McCann
Alex Joyce	Grace Scanlin (EY, External Auditor)

Midlothian Integration Joint Board

Audit and Risk Committee

Thursday 5 December 2019

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

4.1 The Minutes of Meeting of the Midlothian Integration Joint Board Audit and Risk Committee held on 5th September 2019 was submitted and approved as a correct record.

4.2 A Rolling Action Log – December 2019 was submitted.

The Committee, having received updates on the various action points detailed therein, agreed:-

- (a) to close off the completed actions;
- (b) to note that a further follow-up report on progress with the remaining Internal Audit Follow-Up Review recommendations was included on today's agenda; and
- (c) to note that regular updates on the NHS Lothian escalation were being included in the Chief Officer's Report to the Board.

(Action: Chief Officer/Chief Finance Officer/Clerk)

5. Public Reports

Report No.	Report Title	Presented by:
5.1	Risk Register – Report by Risk Manager	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.		

Midlothian Integration Joint Board

Audit and Risk Committee

Thursday 5 December 2019

Summary of discussion

Chris Lawson, Risk Manager in presenting the report to the Committee highlighted the most significant issues and risks on the MIJB strategic risk profile.

The Committee, in considering issues arising from Midlothian's use of Unscheduled Care (unplanned hospital use), received an update from Chief Officer, Morag Barrow on some of the measures that had been, or were being, put in place to help address this, these were covered in more detail in the Board report on the IJB Improvement Goals Progress, and would also be picked up as part of the Q3 monitoring report.

Decision

The Audit and Risk Committee, after further discussion:-

- **noted the current Risk Register;**
- **noted the current position on Unscheduled Care and welcomed plans to report on this further to the Board and to also pick it up as part of the Q3 monitoring report;**
- **noted the updates provided on the risk control measures and the progress being made to address all risks; and**
- **confirmed that, otherwise, the risks contained in the Risk Register reflected the current risks/opportunities facing the MIJB.**

Action

Risk Manager

Report No.	Report Title	Presented by:
5.2	Progress Update on Delivery of Midlothian IJB Internal Audit Annual Plan 2019/20	Jill Stacey

Executive Summary of Report

With reference to paragraph 5.6 of the Minutes of 7 March 2019, there was submitted a report the purpose of which was to inform the Committee of the progress Internal Audit had made, in the first 6 months of the year to 30 September 2019, towards completing the Internal Audit Annual Plan 2019/20 for the Midlothian Integration Joint Board (MIJB).

The report detailed the audit days allocated to specific activities, which had been updated to reflect the confirmed 30 days audit resources from NHS Lothian Internal Audit that was not reflected in the approved MIJB Internal Audit Annual Plan 2019/20, and the consequential reallocation of MLC Internal Audit resources to other planned assurance audits; these amendments required formal approval by the MIJB Audit and Risk Committee. Additionally, it also provided details of Internal Audit reports by partners' Internal Audit providers (MLC Internal Audit for Midlothian Council; Grant Thornton for NHS Lothian) that had been presented to their respective Audit Committees within the first half year 2019/20 which were relevant to MIJB for assurance purposes, with a summary of assurances contained therein.

Midlothian Integration Joint Board

Audit and Risk Committee

Thursday 5 December 2019

Summary of discussion

The Committee, having heard from Jill Stacey (Chief Internal Auditor), who responded to Members questions and comments, welcomed the inclusion of information regarding Internal Audit reports by partners' Internal Auditors that are relevant to MIJB; and also the progress which was being made in delivering the Annual Internal Audit Plan. With regards the Internal Audit of Performance Management, it was acknowledged that this was a challenging area that was still evolving, which the MIJB was keen to develop, so it would be interesting given the work that was already underway to see the outcome.

Decision

After further discussion, the Audit and Risk Committee:-

- **Noted the progress Internal Audit had made by the mid-year point with activity in the approved Midlothian Health and Social Care Integration Joint Board Internal Audit Annual Plan 2019/20 (Appendix 1);**
- **Approved the revised Midlothian Health and Social Care Integration Joint Board Internal Audit Annual Plan 2019/20 (Appendix 1) that reflected the auditor resources set out in this report and was deliverable; and**
- **Noted the list of Internal Audit reports by partners' Internal Auditors presented to their respective Audit Committees that were relevant to MIJB for assurance purposes (Appendix 2), and the assurances contained therein.**

Action

Chief Internal Auditor

Report No.	Report Title	Presented by:
5.3	MIJB Internal Audit Recommendations Progress Report – Report by Chief Internal Auditor	Jill Stacey

Executive Summary of Report

With reference to paragraph 5.4 of the Minutes of 5 September 2019, there was submitted a report the purpose of which was to provide information on the number of recommendations raised by Internal Audit for the MIJB; note the MIJB's reported performance in addressing the associated internal control and governance issues by the agreed implementation; and highlight the main governance and financial risks where recommendations were found to be outstanding.

The report confirmed that of the 61 recommendations raised since the inception of the MIJB, 55 (90%) were recorded as complete, 3 (5%) had not yet reached their due date, and 3 (5%) were identified as being overdue. After reviewing all the recommendations, Management had established revised target dates for the 3 overdue recommendations and 2 of the 'in progress' recommendations which have been agreed by Internal Audit based on the further work required to implement these recommendations in full.

Midlothian Integration Joint Board

Audit and Risk Committee

Thursday 5 December 2019

Summary of discussion

Chief Internal Auditor, Jill Stacey provided the Committee with an update on the recommendations which had not yet reached their due date or had been identified as being overdue, and confirmed that there had been a reduction in the number of overdue recommendations compared to the previous year's report.. After responding to questions and comments raised by the Committee, she confirmed that the revised target dates were considered reasonable given the complexities involved in addressing the issues concerned, and that they should allow the respective recommendations to be completed in full.

Decision

The Audit and Risk Committee -

- **noted the progress made by Management in implementing Internal Audit recommendations to improve internal controls and governance, and mitigate risks;**
- **approved the revised due dates for completion of the Internal Audit recommendations and agreed that no other actions were required; and**
- **noted that Internal Audit would continue to monitor the completion of the outstanding recommendations and would provide further update reports to the Committee as required.**

Action

Chief Internal Auditor

Report No.	Report Title	Presented by:
5.4	Integration Authorities Financial Performance for 2019-20 after Quarter 1 - Report by Chief Finance Officer	Claire Flanagan

Executive Summary of Report

The purpose of this report was to summarise the quarterly report from the CIPFA IJB CFO Section on the Financial Performance for all the Integration Authorities (IA's) for financial year 2019-20 after Quarter 1. Key messages were summarised in the report, along with details of Midlothian's (ML) position as a comparison.

Summary of discussion

Claire Flanagan, Chief Finance Officer in presenting the report highlighted that this was the first summary report which presents an overview of financial performance for all 31 IA's for 2019-20. The report included forecasted year-end positions for 26 IA's and year to date positions at Quarter 1 for 5 IA's, showing the key factors contributing to these positions principally increased demand and higher costs.

The Committee, welcomed the report and the narrative provided by the Chief Finance Officer, as it gave a better prospective of the Midlothian IJB's position and an opportunity to explore common issues. It also confirmed that the challenging financial position was likely to continue for the foreseeable future.

Midlothian Integration Joint Board

Audit and Risk Committee

Thursday 5 December 2019

Decision
After further discussion, the Audit and Risk Committee agreed to note the report and the key messages.
Action
Chief Finance Officer.

Report No.	Report Title	Presented by:
5.5	Scottish Government: When is Hospital bad for your Health? Publication - Report by Chief Finance Officer	Claire Flanagan

Executive Summary of Report
The purpose of this report was to bring to the attention of the Committee the recent Scottish Government Health and Sport Committee publication of its findings on budget, outcomes and progress within the integration of health and social care. The report "Looking ahead to the Scottish Government Health Budget 2020-21: When is hospital bad your health?" summarised how the NHS in Scotland was performing and what was required to achieve a sustainable NHS.
Summary of discussion
Claire Flanagan, Chief Finance Officer in presenting the report highlighted the key messages, many of which would be familiar to Members of the Committee.
Decision
After discussion, the Audit and Risk Committee agreed to note the publication and the key messages that it contained.
Action
Chief Finance Officer.

Report No.	Report Title	Presented by:
5.6	Audit Scotland Report on NHS Scotland in 2019 - Report by Chief Finance Officer	Claire Flanagan
Executive Summary of Report		
The purpose of this report was to summarises the key messages contained in the Audit Scotland report “NHS Scotland in 2019”, which explored how the NHS in Scotland was performing and what was required to achieve a sustainable NHS.		
Summary of discussion		
The Committee, having heard from Claire Flanagan, Chief Finance Officer, discussed the key messages arising from the publication, in particular the acknowledgement that there was real pressure on the NHS; that financial sustainability remained a challenge; and that large scale system wide reform that led to less reliance on hospitals and more community based care was needed.		

Midlothian Integration Joint Board

Audit and Risk Committee

Thursday 5 December 2019

Decision
After discussion, the Audit and Risk Committee agreed to note the publication and the key messages that it contained.
Action
Chief Finance Officer.

Report No.	Report Title	Presented by:
5.7	Scirocco Exchange: Self-Assessment of the Health and Social Care Partnership's Maturity in Relation to Integrated Care - Report by Integration Manager	Mairi Simpson

Executive Summary of Report
<p>The purpose of this report was to summarise details of the Scirocco Exchange programme and examine the rationale for Midlothian Health & Social Care Partnership's proposed participation.</p> <p>The report explained that this EU funded programme would assist the Partnership to self-assess its maturity around integration and participate in a knowledge exchange programme involving 8 European sites. It would also support the Partnership in its ambition for continuous improvement around health and social care integration.</p>
Summary of discussion
<p>Having heard from Mairi Simpson, Integration Manager, who responded to Members questions and comments, the Committee in discussing the Scirocco Programme, acknowledged that the main resource implication was staff time and that whilst outwith the anticipated timelines it should still be possible to benefit from the programme.</p>
Decision
After further discussion, the Audit and Risk Committee welcomed the proposal and agreed to note the intention of Midlothian Health & Social Care Partnership to engage in the Scirocco knowledge exchange programme.
Action
Integration Manager.

6. Private Reports

No private business to be discussed at this meeting.

7. Date of next meeting

The next meetings of the Midlothian Integration Joint Board Audit and Risk Committee would be held on Thursday 5 March 2020 at 2.00 pm.

The meeting terminated at 2.15 pm.