

Midlothian Integration Joint Board

MIJB – Audit and Risk Committee
Thursday, 5 September 2024
Item No 4.3



Meeting	Date	Time	Venue
Audit and Risk Committee	Thursday, 6 June 2024	2.00pm	Virtual Meeting held using MS Teams

Present (voting members):

Angus McCann (Chair)	Councillor McManus	Councillor Milligan
Councillor Parry		

Present (non-voting members):

Morag Barrow (Chief Officer)	David King (Chief Finance Officer (Interim))	Duncan Stainbank (Chief Internal Auditor)
Gill Main (Integration Manager)	Patricia Fraser (External Auditor)	Roxanne King (Executive Business Manager)

In attendance:

Gary Leadbetter (Democratic Services Officer)		
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Apologies:

Val de Souza		
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1. Welcome and Introductions

Angus McCann noted that they were stepping in as the Chair in the absence of Val de Souza, whose apologies were provided.

The Chair welcomed everyone to the meeting of the Midlothian Integration Joint Board (MIJB) – Audit and Risk Committee.

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 Minute of Meeting of the Audit and Risk Committee held on 7 March 2024 was submitted and approved as a correct record.

David King, Interim Chief Financial Officer, explained that there was a comment in the previous minute in relation to setting up training for Datix. They advised that this is addressed in the paper for Item 5.3 and so would be picked up when that Item is discussed.

5. Public Reports

5.1 Scottish Audit Report on Mental Health – Head of Adult Services and Social Care

Nick Clater, Head of Adult Services and Social Care, presented the report. Audit Scotland published an audit report in September 2023 on the access to adult mental health services in Scotland. This report noted that:

- Funding for adult mental health services in Scotland has increased significantly since 2017; however, the impact remains unclear due to a lack of data.
- Access to these services remains challenging.
- The mental health workforce faces high vacancy rates, and progress in expanding primary care mental health support is delayed.

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- Disparities persist, particularly affecting ethnic minorities, rural residents, and those in poverty.
- The government lacks sufficient oversight and focuses primarily on waiting times for psychological therapies.
- The Scottish Government's progress on mental health commitments is mixed, with further goals not on track for achievement.

The Committee were asked to note the report.

The Chair thanked Nick Clater for the report and opened it up for questions.

Morag Barrow, Chief Officer, stated that it would be useful to see a progress update on this particularly in terms of how the Midlothian perspective is benchmarked against the recommendations.

The Chair queried whether Midlothian offered the full choice in relation to face-to-face and virtual. Nick Clater advised that the offer a choice is being rolled out, starting with old age mental health. Nick Clater explained that the default had been face-to-face and that if people were to ask for something else then the alternative would be offered.

The Chair stated that when this is brought back it would be useful to bring facts and evidence around data quality and the offer of choice.

5.2 Appointment of an Independent Member to the Audit and Risk Committee – Chief Financial Officer (Interim)

David King, Chief Financial Officer (Interim), presented the report. The IJB Audit and Risk committee's terms of reference lay out the membership of the committee. That is four members from the voting members of the IJB (two from NHSiL and two from Midlothian Council) and an independent member. The latter being an individual who is not a member of the IJB (nor a member of the NHS Lothian Board nor a Midlothian Councillor) and is therefore literally independent from the IJB and its partners. Such an individual will bring their previous experience to the committee, provide an additional input into the work of the committee and support the committee's role in assuring proper governance. This role is considered best practice in the development of an audit committee and such a member has sat on the IJB's audit and Risk committee in previous years although currently this role is vacant.

The Committee were asked to support the appointment of an independent member to the Committee.

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The Chair thanked David King for the report and opened it up for questions.

Councillor Milligan noted that the Community Planning Partnership (CPP) could be asked to nominate a member.

Duncan Stainbank, Chief Internal Auditor, noted that it would be useful to bring on a member with a background in financial accountancy. In relation to the quorum, Duncan Stainbank advised that this might mean that a meeting quorum would be made up of two NHS representatives and an independent or two councillors and an independent. Duncan Stainbank queried whether the Committee would be comfortable with this.

It was agreed that the CPP should be asked to nominate a member, but that every route should be explored. It was also agreed that the quorum should be made up of one representative from each of the voting constituents, i.e. one independent, one NHS representative and one councillor.

Gill Main, Integration Manager, explained that both they and David King had been liaising with a candidate who had expressed interest, although more on this could not be shared currently.

5.3 Review of Risk Management Policy – Chief Financial Officer (Interim)

David King, Chief Financial Officer (Interim), presented the report. The IJB approved its risk management policy at its meeting in February 2016. At its meeting in December 2017, the IJB's Audit and Risk Committee recognised that *'the IJB's risk register (and risk management process) recognises the risk to the IJB's own business – that is the preparation and delivery of the Strategic Plan. The IJB's does not consider 'operational' risks, being the risks managed by the partners unless these risks are so significant that they would impact on the IJB's Strategic plan. That said, it should be remembered that IJB is not in a position to manage such operational risks and would, in any event, depend on the management actions of the partners.'*

Best practice would require that the IJB now reviews its Risk Management Policy and the paper lays out that review.

The Committee were asked to:

- Consider the revision and amendments to the current policy.
- Recommend these amendments to the IJB.
- Recommend that the IJB adopts the revised Risk Management Policy.

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The Chair thanked David King for the report and opened it up for questions.

Gill Main advised that there was a typographical error in the report under 9.3, where it states “aucit” instead of “audit.” Gill Main further queried whether, in 1.5 of the report, the wording should be “treat, tolerate and mitigate risk” instead of “terminate, transfer or treat risk.” They further asked whether something should be noted about tying in the Strategic Planning Group and their role.

David King confirmed that they were happy with these suggestions.

The Chair queried how Gill Main would envisage taking the SPG risks and conveying them into Risk Management Policy. Gill Main explained that the SPG would still hold the SPG risk register and that anything they felt they were unable to treat or tolerate would be escalated to the Board’s risk register.

It was agreed that the changes would be made, that the report would be tidied up and checked for any errors, which would be amended, and that the report would then be shared again with the Committee via email before it is shared with the IJB.

5.4 Risk Register – Chief Financial Officer (Interim)

David King, Chief Financial Officer (Interim), presented the report. The report presented the IJB’s Q4 risk register for discussion by the Committee.

The Committee were asked to:

- Note the Q4 risk register.
- Consider if any further additions or changes should be made to the risk register.
- Agree to the proposal that, at a future meeting, a presentation on the use of Datix is provided to the Committee along with a further more detailed consideration of the risk register.

David King queried whether there should be a slot in the September meeting for the Datix presentation and the consideration of the risk register.

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Following a short discussion, it was agreed that at the September meeting Roxanne King, Executive Business Manager, would deliver a Datix presentation for Members and that there would be a deep dive into the risk register.

The Chair stated that the wording on the first risk on the risk register seems quite general and wide. Duncan Stainback stated the risks in the register are for the IJB, rather than from the partners, and the expectation would be that the partners would manage the risks around disruption to operational service delivery. Duncan Stainbank noted that this is why the risk would be at a high level for the IJB. Roxanne King explained that they and David King would be doing some work around this risk between this meeting and September.

There was a discussion around some work needing to be undertaken on the risk register and that how the risks were put on have perhaps not translated well on the Datix system, so it was noted that work would be undertaken on this.

5.5 Best Value Framework – Chief Financial Officer (Interim)

David King, Chief Financial Officer (Interim), presented the report. The paper updates the Committee on the duty of Best Value, on how that applies to the IJB and how the IJB can ensure that this duty is delivered.

The Committee were asked to request that the IJB develop a best value framework which can then be used to assess the delivery of best value.

The Chair thanked David King for the report and opened it up for questions.

The Chair asked that David King explain what they envisage a best value framework would look like and how it would be used on an ongoing basis. David King explained that it would lay out all of the discussion that has been had, the duties and the seven broad themes and it would state that every year an officer, presumably the Chief Financial Officer, would look at how the themes have been dealt with, which would be turned into a report for the IJB. This report would ask the Committee whether they feel the IJB has met these themes and, if the IJB felt they have not, then this would allow recommendations to be laid out on how they can be achieved.

Patricia Fraser, External Auditor, stated that this was a point that was raised in the External Auditor's Annual Audit report the previous year. Patricia Fraser stated that their judgment was that the IJB does demonstrate continuous improvement and that this was just about having the

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framework in place. Patricia Fraser advised that, if it was deemed to be helpful, then good practice examples could be provided. The Chair confirmed that this would be helpful.

5.6 Revision of Terms of Reference – Audit and Risk and Strategic Planning Group – Chief Financial Officer (Interim)

David King, Chief Financial Officer (Interim), presented the report. The report presents, for comment only, revised Terms of Reference for the IJB's Audit and Risk Committee and the IJB's Strategic Planning Group.

The Committee are asked to consider these revised Terms of Reference and reflect on any suggested amendments.

The Chair thanked David King for the report and opened it up for questions.

The Chair stated that, on page 2 of the SPG's ToRs, under 3.3 the wording around "Where the Integration Authority is an Integration Joint Board" can be tweaked as the MIJB is an integrated joint board. Also under 3.3, the Chair noted that the wording under the second bullet point "where one local authority is a constituent authority" is not required. The Chair also stated, under 4.1, that it should be eight not ten.

5.7 Review of the Annual Governance Statement – Chief Internal Auditor

Duncan Stainbank, Chief Internal Auditor, presented the report. The purpose of the report is to present the draft Annual Governance Statement 2023/24 for the Midlothian Health and Social Care Integration Joint Board (MIJB) which explains the MIJB's governance arrangements and system of internal control and reports on their effectiveness for the year ended 31 March 2024.

The Committee are asked to consider the Midlothian Health and Social Care Integration Joint Board draft Annual Governance Statement 2023/24 (Appendix 1 to the report), which explained the MIJB's governance arrangements and system of internal control and reports on their effectiveness for the year ended 31 March 2024, and provide any commentary thereon and approve for inclusion in the draft ,Annual Accounts 2023/24.

The Chair thanked Duncan Stainbank for the report and opened it up for questions.

Morag Barrow stated that where the paper talked about recovery actions that it should be 2024/25, not 2023/24, which Duncan Stainbank agreed with.

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The Chair noted that there are three corrections to be made to the paper, firstly that the CIPFA/SOLACE Framework does not need to be referenced to as new, that it should be noted that the code of conduct should also be adhered to and that it should also include that board papers are published.

5.8 Internal Audit Reports – Chief Internal Auditor

Duncan Stainbank, Chief Internal Auditor, presented the report. The purpose of the report is to present the Internal Audit Annual Assurance Report 2023/24 for the Midlothian Health and Social Care Integration Joint Board (MIJB) which includes the Chief Internal Auditor's independent assurance opinion on the adequacy of the arrangements for governance, risk management and internal control by the MIJB of the delegated resources.

The Committee are asked to consider the MIJB Internal Audit Assurance Report 2023/24 (Appendix 1 to the report), which sets out the findings and conclusions arising from all Internal Audit work carried out for the year to 31 March 2024, consider the assurances contained therein, and provide any commentary thereon.

The Chair thanked Duncan Stainbank for the report and opened it up for questions.

Gill Main stated that some of the timescales around the recommendations are not achievable against the timelines stated, due to the delay in receiving the report, noting that they are looking for support to extend the timescales so that they are more manageable. Duncan Stainbank stated that they did not think anything needed to be changed in terms of the report, as it is looking back at the previous year, but that they were happy to extend the dates of the recommendations to meet the requirements of Gill Main's team.

Morag Barrow asked the Committee to approve writing to the Council to ask for support around publication, which the Committee agreed with.

5.9 MIJB Internal Audit Report: Publication Scheme – Chief Internal Auditor

Duncan Stainbank, Chief Internal Auditor, presented the report. The purpose of the report is to present the findings and recommendations from the recently completed Internal Audit review of the Publication Scheme, completed in partnership between the Midlothian Council and NHS Lothian Internal Audit teams.

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The Committee are asked to consider the findings and recommendations from the recently completed Internal Audit review of the Publication Scheme.

The Chair thanked Duncan Stainbank for the report and opened it up for questions, of which there were none.

6. Private Reports

No private business discussed at this meeting.

7. Date of next meeting

The next meeting will be held on Thursday, 5 September 2024 at 2.00pm.

(Action: All Members to Note)

The meeting terminated at 15:19pm.