



**CÙRAM IS SLÀINTE NAN EILEAN SIAR  
WESTERN ISLES INTEGRATION JOINT BOARD**

**INTEGRATION JOINT BOARD  
AUDIT COMMITTEE**

Minute of the meeting of the Western Isles Integration Joint Board Audit Committee  
held on Thursday 5 December 2019 at 12.00pm,  
Meeting Room, Tighean Innse Gall, Stornoway

**Members:**

Mrs. Gillian McCannon	Non-Executive Director, NHS Western Isles / Vice Chair of IJB Audit Committee
Cllr. Angus Morrison	CnES Councillor / Chair of IJB Audit Committee (Meeting Chair)
Cllr. Paul Steele	CnES Councillor

**In Attendance:**

Dr. Ron Culley	Chief Officer, Health and Social Care Partnership
Mr. Robert Emmott	Director of Finance, CnES
Mr. Paul MacAskill	Chief Internal Auditor, CnES
Mr. Robert MacAskill	Internal Auditor, CnES
Mr. Norman MacDonald	Head of Accountancy and Exchequer Services, CnES
Mr. Hector MacLeod	Chief Executive of 3rd Sector
Mrs. Michelle McPhail	Business Manager, NHS Western Isles
Mr. Angus M Murray	CnES – Union Representative

**1. WELCOME**

**1.1 Appointment of Chair and Vice-Chair**

Mrs. McPhail advised that as the position of Chair had changed within the Integration Joint Board, with an NHS Chair appointed in September 2019, the position of Chair and Vice-Chair of the Audit Committee must be confirmed by the Committee.

Mrs. McPhail asked Comhairle colleague for their nomination to the role of Chair of the IJB Audit Committee. Cllr. Steele nominated Cllr. Morrison, who accepted the position.

Mrs. McPhail advised, in the absence of Ms. Bugler, it was noted by NHS colleagues that Mrs. McCannon be nominated to the role of Vice-Chair. Mrs. McCannon accepted the role.

The Chair, Cllr. Angus Morrison, welcomed all those attending the meeting.

## 2. APOLOGIES FOR ABSENCE

Ms. Debbie Bozkurt Chief Finance Officer, IJB  
Mr. David Jamieson Senior Auditor, Audit Scotland  
Ms. Rosemary Bugler Non-Executive Director, NHS Western Isles

## 3. DECLARATIONS OF INTEREST

There were no declarations of interest.

## 4. MINUTES

### 4.1 IJB Audit Committee Minutes of 04.09.19

The Minute of the Integration Joint Board Audit Committee held on the 4<sup>th</sup> September 2019 was approved as an accurate record of the discussion.

**Decision: The Committee formally approved the Minutes.**

### 4.2 Matters Arising

Item 6.2 – IJB Strategic Risk Register ~ The Chair raised concern at the level of risk associated with staffing vacancies and asked for a detailed report for the next meeting. The Chair iterated the need for the committee to be notified immediately of any additional impact with staffing vacancies which have a direct impact of service delivery. Notification should be via email if arising between meetings and a telephone call with the Chair and Vice-Chair.

**Action: Update at the next meeting.**

**Ron Culley**

### 4.3 Action Points

The Chair reviewed the action points noting and updating on the following items:

- 04.09.19 – 5.1 Internal Audit Progress Report ~ Reports were presented to the IJB Audit Committee on the 05.12.19. Complete / **Remove.**
- 04.09.19 – 5.1 Internal Audit Progress Report ~ The IJBAC use the Action Points as a summary of outstanding items to be carried forward. Complete / **Remove.**
- 04.09.19 – 5.1.2 Internal Audit Report:
  - A) Strategic Objectives refresh. Strategic Plan Implementation Scheme presented on 05.12.19 – **Remove**
  - B) Risk Register additional narrative. The Register did not have any additional explanatory narrative. **Retain on the Action Points.**
  - C) Emerging risk should be raised as appropriate. Ongoing and noted. **Remove.**

- D) Urgent emerging issues need to be raised with the Committee as early as possible via email/telephone. Noted and ongoing. **Remove**
- E) Vacancies risk follow-up. Noted and presented to meeting 05.12.19. **Remove.**
- 04.09.19 - Chief Financial Officer M4 report:
  - A) Counter Fraud reports on how each organisation addresses and deals with fraud. The Comhairle report was presented on 05.12.19, however NHS report will be presented in February 2020. **Update**
- 04.09.19 – Integration Performance Indicators:
  - A) Request for additional narrative information for clarity. Narrative detail missing. Dr. Culley advised that expanded clarity of position will be presented in February 2020.
  - B) Audit Scotland, David Jamieson, provided support to review and share information on other Boards Delayed Discharge info. Dr. Culley to liaise with Mr. Jamieson. **Update.**
  - C) Mr. Jamieson will provide support in conducting a review of our Delayed Discharge. **Dr. Culley to provide an update.**
- 04.09.19 – Date & Time ~ Mrs. McPhail identified an alternative date to 04.12.19. 05.12.19 confirmed. Complete / **Remove.**

**Decision: All Items completed**

**Action: Remove all actions from the Action Points**

## **5. AUDIT AND FINANCIAL GOVERNANCE**

### **5.1 Internal Audit Reports**

#### **5.1.1 Internal Audit Progress 2019/20 (01.04.19 – 25.11.19)**

Mr. Paul MacAskill, Chief Internal Auditor, presented the Report to the Committee to formally note the audit progress for 2019/20.

Mr. MacAskill drew colleagues' attention to the report highlighting the summary of progress against the planned internal audit work for 2019/20. On page 3 of the report it details the status of the audit work.

The Chair thanked Mr. MacAskill and his team for their continued support.

**Decision: The Committee formally approved the report.**

**Action: No action required.**

### 5.1.2 Financial Planning, Management and Savings

The Chief Auditor, Mr. MacAskill provided colleagues with an update on the audit undertaken on financial planning, management and savings, which was carried out in September / October 2019. There were 6 recommendations noted, of which 2 were due for implementation by December 2019, 3 for completion by March 2020 and 1 for enactment by April 2020.

One of the recommendations was to change from a 3 year financial planning cycle to 5 year cycle. However Mr. MacAskill confirmed the difficulties involved in giving long term focus projections.

Mr. MacAskill highlighted the need for comprehensive assessment of high risk savings areas with appropriate escalation to the Board when service delivery of the saving is likely to be adversely affected.

Mr. MacAskill indicated a final report on the compliance against the recommendations would be presented in June 2020.

The Chair thanked Mr. MacAskill for the detailed report and ongoing monitoring of compliance.

**Decision:** The Committee formally noted the report.

**Action:** The final report on the Financial Planning, Management and Savings will be presented in June 2020. **Paul MacAskill**

### 5.1.3 Business Continuity Planning and Disaster Recovery

Mr. MacAskill provided colleagues with the final report on Business Continuity Planning and Disaster Recovery Audit, was carried out in September / October 2019.

There are 2 recommendations noted:

1. Implementation of Business Continuity policy statement along with formal annual assurance being sought from partner organisations that Business Impact Assessments have been carried out and appropriate. This is due for implementation by April 2020 – Chief Officer.
2. Formal annual assurance should be given by each partner organisation confirming whether the necessary IT systems and controls have been tested and are operating effectively. Implementation is due by April 2020 – Chief Officer.

Mr. Culley thanked Mr. MacAskill for the review commenting that the audit is a good example of focus and warranted recommendations.

Mr. MacAskill noted that a formal update on compliance will be presented in June 2020.

**Decision: The Committee formally noted the report.**

**Action: Update report to be presented in June 2020.**

**Paul MacAskill**

#### **5.1.4 Risk Management**

The Chief Auditor, Paul MacAskill, presented the audit report to the Committee following its review of the risk management processes within the IJB. The audit was carried out in September / October 2019.

Mr. MacAskill advised that the risk register need to be reviewed to include the potential absence of key staff and other scenarios as well as updating responsible officers where appropriate. He indicated the need to have a unified register noting the risks within the parent bodies, which would promote information sharing but also allows each partner organisation a holistic view of risks.

Mr. Culley advised that where possible he and the teams try to mitigate long term staffing issues.

Mr. MacAskill reported that of the 8 recommendations, implementation of 2 are due by December 2019 and the remaining 6 are due for full compliance by April 2020. A specific thanks was noted to Ms. Bozkurt and Mr. Culley for their time and consideration of the recommendations.

The Chair thanked Mr. MacAskill for the robust and important review providing a level of assurance and the framework to move forward.

**Decision: The Committee formally noted the report**

**Action: An update report will be presented in June 2020.**

**Paul MacAskill**

#### **5.2 Best Value**

Dr. Culley, Chief Officer, presented to colleagues an update on the Best Value Framework for the IJB. Best Value is about ensuring sound governance, good management, public reporting on performance and a focus on improvement. Dr. Culley noted that the duty of Best Value is applied to all public bodies in Scotland including Integration Joint Boards.

Dr. Culley asked colleagues to:

Approve the proposed Best Value Framework;

Approve the self-assessment for 2018/19; and

Agrees that future self-assessments be considered by the Audit Committee.

Members reflected on the information contained within the report. Mrs McCannon enquired as to the community engagement arrangements. Dr. Culley noted that work had been completed on the through the community groups in relation to Uist Dental and the Care Unit development. It was noted that this demonstrated good

public involvement, but also in relation to good examples of co-production, Mrs. McCannon advised that the work within undertaken in Uig, Carloway and Harris should also be included in the evidence.

Mr. MacLeod reflected on the enquiry 1.7 referring to a clear vision as to the commitment to continuous improvement. He reflected upon a recent event where there was some confusion as to the purpose of the event within the community and the CPP.

Dr. Culley noted that the confusion was over the strategic planning process as the IJB completed its process before the CPP. However, even though Dr. Culley sits on the CPP, aspects of the IJB work were not taken to the CPP table.

The Chair thanked Dr. Culley for the report. He asked colleagues if they were able to approve and agree the formal recommendations presented. There was a unanimous agreement.

**Decision: The Committee formally:**

- a. Approve the proposed Best Value Framework;
- b. Approve the self-assessment for 2018/19; and
- c. Agrees that future self-assessments be considered by the Audit Committee

**Action: No action required.**

### **5.3 Counter Fraud Arrangements**

#### **5.3.1 Appendix 1 – Fraud, Corruption and Irregularity Policy**

Mr. MacAskill presented colleagues with the Comhairle's Internal Audit report on Anti-Fraud, Corruption, Bribery and Irregularity Strategy and Response Arrangements, as part of the Counter Fraud arrangements.

It was reported, and assurance provided, that arrangements within the Comhairle are monitored closely with comprehensive procedures in place. A further level of assurance is that the Counter Fraud measures in place are reviewed by Audit Scotland and there is a requirement to report fraud over a specific level.

Cllr. Morrison was in a position to support the information presented by Mr. MacAskill as in his role as Chair of the Comhairle's audit committee, the processes in place are scrutinised.

Mrs. McCannon also indicated that processes within the NHS are similar to that of the Comhairle, however Ms. Bozkurt will provide a report on the NHS processes at the next meeting.

**Decision: The Committee formally noted the Comhairle processes**

**Action: NHS counter fraud report to be presented at the Feb'20 meeting.**

**Debbie Bozkurt**

## 5.4 Financial Monitoring Report Month 6

In the absence of Ms. Bozkurt, Dr. Culley presented the Month 6 financial report.

Dr. Culley reported that as at 30 September 2019 the IJB is showing an overspend of £1,998k and projecting a break even position once budgeted reserves and other general reserves have been applied.

The report highlighted:

- Home Care ~ now having to use agency staff at an additional cost which is challenging when balancing finance “v” care.
- Underspend in Care Home, however at a reduced level compared with previous years.
- Medical consultant and specialised doctor budget is overspent in year £305k with a projected overspend of £533k due to vacancies having to be covered by agency locums.

The Chair considered the position of an overspend of approximately £2m and the use of reserves at month 6 position. He commented on the potential need for additional resources over the winter and this could apply additional pressure to the financial position, although recognising the need to care for our communities.

Mr. Emmott remarked on the additional pressure in future years, compared with a reducing allocation and the challenges both Comhairle and the NHS will be facing. Planning for the future needs to be robust and explicit.

Dr. Culley explained that in December the IJB will be planning for the next 2 years and will need to close the potential gap of £3m by identifying savings which will be recurring in the majority of cases with the remaining coming from non-recurring savings. The IJB will be faced with some hard decisions which will not be favourable.

Members discussed the impact on establishing the Health and Care (Staffing) (Scotland) Act 2019, specifically in relation to Care Homes.

In addressing the level of delayed discharge and the financial impact this has, he indicated that the uptake of the Influenza vaccination for healthcare staff has increased.

The Chair enquired as to the current level of sickness absence and status of vacancies and whether there should be a more detailed report presented assessing if there is any imminent impact on service delivery due to vacancies. Dr. Culley would discuss this with Ms. Bozkurt and report back in February 2020.

Cllr. Steele enquired what would happen if the Chief Officer went off sick, what resilience is there in the system. It was noted that currently there is one senior person on sick leave, and an interim person in place within another senior post.

However head of departments would continue to deliver the service at grass roots and a level of Chief Officer's absence could be tolerated for a short period of time without causing tiredness and fatigue of colleagues who have to cover.

The Chair thanked Dr. Culley for the presentation of the report.

**Decision: The Committee formally noted the report providing assurance.**

**Action: Detailed workforce report to be presented in Feb'20 Debbie Bozkurt.**

## **5.5 Strategic Plan Implementation Scheme**

Dr. Culley drew colleagues' attention to the draft Strategic Plan noting that it is his intention to present 3 reports to the IJB, the pillars of governance ~ workforce, strategic and financial planning. By reviewing the 3 areas together the IJB will have an opportunity to re-channel resources into new potential areas of development and meet strategic objectives.

Colleagues recognised the need to review pathways, elective admissions and care assessment processes identifying the potential gaps. There is a need to understand and expand upon how we care for complex needs in the community as well as recognising how we support older people in the community.

Dr. Culley indicated that the reports will be presented to the IJB in December 2020.

**Decision: The Committee formally noted the Scheme.**

**Action: The report plus the reports pertaining to workforce and financial planning will go in December 2020 to the IJB. Ron Culley**

## **6. PERFORMANCE**

### **6.1 Integration Performance Indicators**

Dr. Culley presented the report to colleagues advising that the Performance Indicators at section 2 are merely a snap shot in time of the position and variations do arise. He recommended that colleagues review the trend data for each target.

Mrs. McCannon noted the lack of detailed narrative which would explain the position and the rationale for some trends. Dr. Culley admitted that he had not addressed this but would provide a detailed summary in Feb'20.

Dr. Culley advised that as a committee we sometimes concentrate on the areas where good performance is noted against targets, however there is a need to review areas where performance is not being delivered and identifying how improvement measures can be made.

The Chair thanked everyone for their input into this discussion and the continued support of Audit Scotland.

**Decision: The Committee formally noted the report.**

**Action: Detailed narrative required for the Feb'20 discussion**

**Ron Culley**

## 6.2 IJB Strategic Risk Register

Dr. Culley presented the register, indicating that the risk ratings continue to rise.

Colleagues noted that risk 7 relating to ineffective governance arrangements being in place is now being scored at a risk rating of 3 and should this be removed from the register following IJB approval.

Recruitment and retention risk continues to remain at a risk rating of 20 with little movement or work on how this can be mitigated. Dr. Culley indicated that this is something bigger than the IJB and requires collective approach from all island agencies.

Mrs. McCannon reviewed risk 5 relating to unanticipated service pressures create an in-year overspend, with a risk rating of 16. Dr. Culley remarked that this is more around long term holding of posts and how aspects and tasks are being consumed within other roles.

The Chair thanked Dr. Culley and colleagues for their scrutiny.

**Decision:** The Committee formally noted the report for assurance.

**Action:** Detailed narrative is required in future reports

**Ron Culley**

## 7. DATE & TIME OF NEXT MEETING

**Meeting:** IJB Audit Committee

**Location:** CnES, Committee Room 3

**Time:** 1000-1300

**Day / Date:** Wed 12.02.20

Wed 10.06.20

Wed 09.09.20

Wed 02.12.20

The meeting came to a close at 1.35pm, the Chair thanking everyone for their contribution to the discussion.