



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 held
on Tuesday 6 February 2018 at 12 noon, in the Committee Room 3, Council Offices, Stornoway

Members:

Dr Neil Galbraith	Non Executive Director, NHS Western Isles
Mr Malcolm Macdonald	CnES – Union Representative
Mr Murdo Macmillan	Non Executive Director, NHS Western Isles (Chair)
Cllr Angus Morrison	CnES Councillor (Vice Chair)
Cllr Paul F Steele	CnES Councillor

In Attendance:

Ms Debbie Bozkurt	Chief Finance Officer, IJB
Dr Ron Culley	Chief Officer, Health and Social Care
Mr Robert Emmott	Director of Finance and Corporate Resources, CnES
Mr David Jamieson	Audit Scotland
Mr Paul Macaskill	Chief Internal Auditor, CnES
Mr Donald Macleod	Internal Auditor, CnES
Ms Lesley McDonald	Head of Executive Office, Comhairle nan Eilean Siar
Mr Mark Laird	Audit Scotland
Mrs Marion Macleod	Administrative Officer, CnES

1. WELCOME

The Chairman welcomed all those attending the meeting.

2. MEMBERSHIP AND GOVERNANCE

A Report was submitted by NHS Western Isles to advise the IJB Audit Committee of changes to its membership. The Report highlighted that in June 2017 the Integration Joint Board (IJB) had requested that NHS Western Isles and the Comhairle make nominations to the Audit Committee. The Terms of Reference were appended to the Report as Appendix 1. The Integration Joint Board had previously agreed that the Chair of the IJB should not be a Member of the Audit Committee. As the IJB was now chaired by a Comhairle representative, the Audit Committee should be chaired by NHS Western Isles.

It was agreed

- (1) that the substantive and Depute/Proxy Voting Members appointed by Comhairle nan Eilean Siar and NHS Western Isles as detailed in paragraph 2.1 of the Report be noted; and
- (2) that the Integration Joint Board Audit Committee approve for its interests the Membership of its Committee from Members noted in paragraph 2.1

3. APOLOGIES FOR ABSENCE

Apologies:

Ms Michelle McPhail Business Manager, NHS WI

4. DECLARATIONS OF INTEREST

There were no declarations of interest.

5. MINUTES

5.1 IJB Audit Minute of 13.09.17

The Minute of the Integration Joint Board Audit Committee held on 13 September 2017 was approved as an accurate record of the discussion.

5.2 MATTERS ARISING

There were no matters arising.

5.3 Action Points

Dr Culley advised that the item 6.4 in relation to presentation of the IJB Annual Report in Barra could be removed from the list as this had been completed.

6. AUDIT AND FINANCIAL GOVERNANCE

6.1 Internal Audit Operational Plan 2018/19

Mr Paul Macaskill, Chief Internal Auditor, IJB, submitted a Report detailing the Internal Audit Operational Plan for 2018/19. The Report confirmed that the Comhairle would fulfil the twenty day requirement for follow up reporting.

It was agreed to note the Report.

6.2 Internal Audit Progress Report to January 2018

Mr Paul Macaskill, Chief Internal Auditor, IJB, submitted a Report detailing Internal Audit Progress for the period 1 April 2017 – 26 January 2018. The Report stated that activity had been based on the Strategic Audit Plan for the three years to 31 March 2019 and the Operational Internal Audit Plan for 2017/18 both of which had been approved by the Audit Committee.

It was agreed to note the Report.

6.3 Internal Audit Risk Management Report

Mr Paul Macaskill, Chief Internal Auditor, IJB, submitted a Report which provided an overview of the Integration Joint Board's risk management process. The Report highlighted that the audit had been conducted as part of the operational annual internal audit plan for 2017/18 and provided an overview of the Integration Joint Board's arrangements for risk management. The Report highlighted that the IJB had in place a combined Risk Management Strategy and Policy and a Strategic Risk Register which was an area of good practice. Four recommendations were made which had been agreed by management and which were all categorised as Grade 4, Value for Money.

It was agreed to note the Report.

6.4 Audit Scotland Report – Annual Audit Plan 2017/18

A Report was submitted by Audit Scotland in relation to their audit of their Annual Audit Plan 2017/18. The Report identified the audit work considered necessary to provide an opinion on the financial statements and related matters and to meet the wider scope requirements of public sector audit. The Chief Finance Officer highlighted that the timetable for the Draft Annual Accounts would not be feasible within the timescales proposed by Audit Scotland, but that the partner organisations would work towards the September deadline for final accounts. The main elements of the audit work for IJB 2017/18 would be:

- understanding the business of Western Isles Integration Joint Board and the associated risks which could impact on the financial statements
- identifying major transaction streams, balances and areas of estimation and understanding how Western Isles Integration Joint Board will include these in the financial statements
- assessing the risks of material misstatement in the financial statements
- determining the nature, timing and extent of audit procedures necessary to provide the auditors with sufficient audit evidence as to whether the financial statements were free of material misstatement.

Audit Scotland agreed to amend paragraph 7 on page 5 to reflect that there was not considered to be an appreciable increase in risk.

It was agreed to approve the Audit Plan.

6.5 Audit Scotland – Annual Audit Fee Letter 2017/18

A letter received from Audit Scotland which set out the details of Audit Scotland's expected fee for the 2017/18 audit of the Integration Joint Board was submitted to the Committee. The Committee highlighted concerns in relation to the increased fee proposed by Audit Scotland and outlined reasons for those concerns.

It was agreed that the Chief Finance Officer, NHS Western Isles would write to Audit Scotland outlining the Committee's concern that it was proposed to increase the fee by £6.6K (38%) and seeking to have the proposed fee reduced.

6.6 Chief Financial Officer Assurance Statement 2017/18

The Chief Finance Officer, IJB, submitted a Report in relation to the financial position of the Integration Joint Board at Month 8. The Report reflected the spend to date and explained any variance which had arisen in the first eight months of the year which were likely to have had an impact on our year end outturn and they were detailed in the body of the Report. The joint IJB budget was showing a projected overspend of £15K., a negative movement of £247K from Month 7.

It was agreed that the Report be noted.

6.7 Residential Care Report

The Director of Finance and Corporate Resources, CnES, submitted a Report updating the Committee on the control systems and risks associated with residential care income. The Report stated that the monthly forecast outturn projections were now being completed and were used for financial monitoring. The method used to calculate the outturn figure would be reviewed for accuracy at the end of the financial year with a view to providing assurance that further reliance on estimates could be made in 2018/19. The 2018/19 income budgets had been set using the 2017/18 figures. The total income figure was benchmarked against calculations which used a combination of actual charges levied in 2017/18 together with estimates of new residents' income and consequent charges to be levied. Financial assessment of current residents was being undertaken in line with agreed performance targets. The backlog of cases had decreased and the last reported total was 40 cases. A Report on Financial Assessment and Income was tabled at the meeting, outlining the debt outstanding at 16 January 2018, and invoices raised in 2017/18. This was supplemented by a verbal update, also outlining difficulties in recovering debts particularly where properties were involved.

In response to Members' concerns about the level of debt it was indicated at the meeting that it was hoped to take action to manage the level of debt downwards within the next four months. Benchmarking would also take place with other authorities in relation to best practice to inform the review of the Debt Recovery Policy. One potential amendment would be to collect charges as they were incurred rather than automatically deferring.

It was agreed to note the position in relation to residential care homes and financial assessment.

6.8 Clinical and Care Governance Committee - Terms of Reference

The Chief Officer, Health and Social Care submitted a Report in relation to the terms of reference of the Clinical and Care Governance Committee. The Report stated that the key role of the Clinical and Care Governance Committee was to agree the clinical and care governance work schedule for all care provided by NHS Western Isles and Comhairle nan Eilean Siar (CnES) social work and social care services. It would monitor activity, give assurance on clinical and care governance and prioritise clinical and care governance activity. In doing so, it would work closely with (and receive reports from) the Learning Review Group. The Committee would report to NHS Western Isles Health Care Governance and Audit Committee and to the Comhairle, providing assurance on clinical and care governance and risk management issues across all relevant clinical and care areas ensuring agreed actions were being implemented. The Committee would also provide reports to the Single Operating Division of NHS Western Isles.

It was agreed to note the Terms of Reference for the Clinical and Care Governance Committee.

6.8.1 Clinical and Care Governance Committee – Annual Report 2016/17

In terms of its Terms of Reference, the Clinical and Care Governance Committee submitted its Annual Report 2016/17 to the Audit Committee. The Chair of the Clinical and Care Governance Committee advised in the Annual Report that he was satisfied that the integrated approach, the frequency of meetings, the breadth of the business undertaken and the range of attendees at meetings had allowed his Committee to fulfil its remit. He concluded that the Committee had maintained an adequate framework of internal control which provided reasonable assurance that material errors or irregularities would either be prevented or detected within a timely period.

It was agreed to note the Report.

7 PERFORMANCE

7.1 Integration Performance Indicators

The Chief Officer, Health and Social Care submitted a Report to consider performance against agreed improvement trajectories across a range of nationally prescribed indicators. The Report stated that the IJB reported on performance via a balanced scorecard, which allowed the Board to judge progress against a range of indicators from the national outcomes through to a local level. Against that backdrop, the Scottish Government and COSLA had written to IJB Chief Officers to indicate that the Ministerial Strategic Group for Health and Community Care (MSG) had agreed that it would be looking to track progress across against the following indicators:

- unplanned admissions;
- occupied bed days for unscheduled care;
- A&E performance;
- delayed discharges;
- end of life care; and
- the balance of spend across institutional and community services.

It was agreed to note the Report.

8 ANY OTHER COMPETENT BUSINESS

There was no further competent business.

9 DATE AND TIME OF NEXT MEETING

The following dates were agreed by the Committee as future dates, subject to the date in June which would be agreed by the Chief Financial Officer and Audit Scotland in relation to the Draft Accounts. The Clerk would confirm the June date.

12.06.18 AM Committee Room 3, CnES
11.09.18 AM Committee Room 3, CnES
06.12.18 AM Committee Room 3, CnES

APPROVED 12.06.18