

Argyll and Bute Health and Social Care Partnership

DRAFT MINUTES OF AUDIT COMMITTEE MEETING Held on Friday 8 March 2019 at 2.30pm, MACHICC Hospital, Lochgilphead

PRESENT: Heather Grier, IJB Member - Chair
Joanna MacDonald, Chief Officer
Kirsty Flanagan, Interim Chief Financial Officer (ABC Head of Strategic Finance)
George Morrison (on VC) Head of Finance- Health
Councillor Kieron Green, IJB Vice Chairperson (audio VC)
Councillor Sandy Taylor
Charlotte Craig, Business Improvement Manager
David Meechan, Senior Auditor, Audit Scotland
John Cornett, Audit Director, Audit Scotland
David Eardley, Scott Moncrieff
Andrew O Donnell, Scott Moncrieff
Sarah Compton-Bishop, IJB Member (on VC)

Apologies: Laurence Slavin, ABC Chief Internal Auditor
Jim Rundell, Audit Scotland

		Action by
1.	Welcome and Introduction Chair welcomed and facilitated introduction and apologies noted	HG
2.	Draft Minutes of 9 January 2019 Highlighted requirement to change the date of meeting otherwise minute accepted.	All C Craig
3.	IJB External Annual Audit Plan (Audit Scotland) DM indicated that this was a piece of work which Audit Scotland is required to do. Introduced the plan focussing on financial sustainability, financial management and risks. One area highlighted is the financial capacity regarding the lack of a permanent Chief Financial/Section 95 Officer and the in-year changes. This post is crucial for the organisation. It was reported that recruitment is now in progress. HG asked the reasons for a delay. JM explained the signing off process for the job description and role which will also include a responsibility for the transformation programme.	

	<p>Another area for audit is the workforce plan for adult services which has been established but an organisation wide plan is not yet in place.</p> <p>We were notified that there is a risk the annual fee may increase.</p>	
<p>4.</p>	<p>Internal Audit Work Plan Review (Scott-Moncrieff)</p> <p>The 2018/19 plan was highlighted. HG raised the question of risk management. She advised that it has been some time since the risk registered had been reviewed. She also highlighted that at a development session around 18 months ago, the outcome of session indicated that the top three risks for officers were different to the top 3 risks for board members. HG suggested another development session should take place as soon as possible. There have been changes in board members and officers attending and everyone needed to be clear and understand the risks.</p> <p>DE presented an initial look at the 2019-20 proposed programme. This was submitted as requested by the committee.</p> <p>DE referenced further an opportunity to review the plan further to discussion seeking to develop the approach.</p> <p>Action: C Craig to meet with Scott-Moncrieff</p>	<p>CC/S-M</p>
<p>5.</p>	<p>Carefirst Report</p> <p>The Carefirst internal audit report was marked with an audit opinion of Reasonable. HG commented this was mid -range in that the risk management and internal controls were broadly reliable. 8 medium actions, 3 low, were highlighted and had been assigned to officers.</p> <p>HG queried the number of NHS employees which will have access to the system and could that be an issue. JM advised the actual numbers of NHS staff would not be substantial.</p> <p>LS not present but happy to take questions directly by email. 4 of the above actions were already closed.</p> <p>The committee was advised that the next report to come before it will be on self-directed support, with care home provision and contract management in quarter 3.</p> <p>JM indicated that learning from the report can be applied widely and that staff benefit from integrated approach with better sharing of information for people receiving services.</p>	

<p>6.</p>	<p>Draft Report on Sustainability of Commissioned Providers DE highlighted report is draft, good processes set out, workforce planning highlighted and plans are being brought together.</p> <p>However, there were a number of areas for improvement raised, one being the sustainability of the care homes in A and B but the internal audit opinion was the risk assessed is not incorrectly scored on the Risk Register. One area marked Amber on the report under 3.1 'Responsibility for activating contingency plans' was discussed.</p> <p>Areas of good practice are highlighted and summarised, policies and procedures and supporting documents, care home documentation in draft format.</p> <p>Service withdrawal risk discussed in this context; current management structure is generic. As part of the review of the senior leadership team it will identify key areas of responsibility. This will be supported by the council procurement team.</p> <p>Currently accountability with locality manager with expert legal advice from procurement.</p> <p>JM ensured that understanding is there that when mitigating service/individual risk then action is taken and financial implications are considered later.</p> <p>Further discussion from the committee that assurance is sought from Heads of Adult Services through this process and that every unit should have a contingency plan to ensure a response arrangement is in place.</p> <p>JM indicated clinical care and governance structures are in place and that the Care Inspectorate are just one indicator.</p> <p>To summarise, it was agreed that there is a need to develop and to seek clarity on who had the overall responsibility and how activating such a process should actually happen.</p> <p>Action: SLT also to review the recommendations at 2.2</p>	<p>SLT</p>
<p>7</p>	<p>Revised Audit Committee Terms of Reference for review</p> <p>Significant discussion took place on the revised terms, wording and supporting the function of the committee. Attendance records should be maintained. Agreed a need to ensure a set of rules on attendance. HG advised for the IJB non- attendance at meetings has a consequence and the Audit Committee should mirror these.</p> <p>HG commented that having a quorate group is essential.</p> <p>Agreed that the 'Remit' section needed much greater clarification.</p>	<p>CC/KF</p>

	<p>Action: work with Standards officer to review Audit Committee ToR</p> <p>Action: Chair to highlight requirement for all members to attend</p>	CC/KF
8	<p>Proposed Finance Committee Terms of Reference for review</p> <p>In context of previous item's discussion this document was referred for action for clarity on the' Remit and general wording should be reviewed by the Standards Officer to avoid any conflict of interest.</p> <p>Action: work with Standards officer to review Proposed Committee ToR</p>	CC/KF
9	<p>Strategic Risk Register - Activity Update</p> <p>Verbal update given on the commencement of work with officer on updating the Strategic Risk register. Some discussion on current financial context.</p> <p>Action: Arrange IJB development session on Strategic Risk Register</p>	JM/CC
10	<p>Action log quick update (verbal)</p> <p>Action Log to be circulated in excel format.</p>	CC
11	<p>AOB</p> <p>George Morrison asked the audit committee to note the discussion taking place with NHSGGC on an additional payment request from them of £1.2m. John Cornett declared his interest as he is the Audit Director for the External Audit of NHSGGC.</p>	