

AUDIT AND PERFORMANCE COMMITTEE OF THE PERTH AND KINROSS INTEGRATION JOINT BOARD

Minute of Meeting of the Audit and Performance Committee of the Perth and Kinross Integration Joint Board (IJB) held in Room 410, Fourth Floor, Council Building, 2 High Street, Perth on Thursday 20 September 2018 at 2.30pm.

Present: Councillors C Purves (Chair) and E Drysdale (both Perth and Kinross Council); J Foulis, Associate Nurse Director, NHS Tayside; and L Lennie, Carer Public Partner (substituting for B Campbell).

In Attendance: R Packham, Chief Officer; J Smith, Chief Financial Officer; D Fraser, E Devine, D Mitchell, S Gourlay and P Jerrard (all Perth and Kinross Health and Social Care Partnership); S Hendry, Democratic Services, Perth and Kinross Council; T Gaskin, Chief Internal Auditor, Perth and Kinross IJB; and J Clark, Chief Internal Auditor, Perth and Kinross Council; A Shaw and C Windeatt (both KPMG).

Apologies: B Campbell, Carer Public Partner and R Peat, Tayside NHS Board.

1. WELCOME AND APOLOGIES

Councillor Purves welcomed all those present to the meeting and apologies were submitted and noted as above. Councillor Purves thanked the previous Chair of the Committee, Councillor C Ahern, for his time as Chair and a member of both the Committee and IJB.

2. DECLARATIONS OF INTEREST

In terms of the Perth and Kinross Integration Joint Board Code of Conduct, Councillor E Drysdale declared a non-financial interest as Convener of Perth and Kinross Council's Audit Committee.

3. MINUTES OF PREVIOUS MEETINGS/MEMBERSHIP AND ROLE OF AUDIT AND PERFORMANCE COMMITTEE

3.1 MINUTES

(i) Minute of Meeting of the Audit and Performance Committee of 19 June 2018

The minute of meeting of the Audit and Performance Committee of the Perth and Kinross Integration Joint Board of 19 June 2018 was submitted and approved as a correct record.

(ii) Minute of Special Meeting of the Audit and Performance Committee of 18 July 2018

The minute of the special meeting of the Audit and Performance Committee of the Perth and Kinross Integration Joint Board of 18 July 2018 was submitted and approved as a correct record.

3.2 ACTION POINTS UPDATE

The Action Point Update (Report G/18/120) from the meeting of 19 June 2018 was submitted and noted.

3.3 MATTERS ARISING

There were no matters arising from the minutes of previous meetings.

3.4 AUDIT AND PERFORMANCE COMMITTEE MEMBERSHIP UPDATE

S Hendry reported that S Hay had stepped down as a member of the Tayside NHS Board and was therefore no longer Chair or a member of the IJB and Audit and Performance Committee. Tayside NHS Board would be filling this vacancy in due course. Councillor Purves and members of the committee thanked S Hay for his contribution to the work of the IJB.

3.5 ROLE OF AUDIT AND PERFORMANCE COMMITTEE MOVING FORWARD

J Smith reported that at the request of the then Chair of the IJB, S Hay, and Councillor Purves, the terms of reference for the Audit and Performance Committee were being reviewed, supported by relevant staff including Internal Audit.

Further to this, work was taking place across Tayside to look at clinical and care governance arrangements with Health and Social Care Partnerships. The Chief Officer would be attending an NHS Tayside wide meeting on 11 October 2018 to discuss this and the Audit and Performance Committee sought assurance that there would be sufficient representation from Perth and Kinross in terms of their position on clinical and care governance.

The committee noted the position.

4. GOVERNANCE

4.1 TRANSFORMING GOVERNANCE ACTION PLAN 2018/19

There was submitted a report by the Chief Finance Officer (G/18/121) providing an update on the progress of the Transforming Governance Action Plan 2018/19.

Resolved:

- (i) The progress on the Transforming Governance Action Plan 2018/19, as set out in Appendix 1 of Report G/18/121, be noted.

- (ii) The Chief Financial Officer to provide a further update at the next meeting of the Committee on further progress on the Transforming Governance Action Plan.

5 ASSURANCE: INTERNAL CONTROL AND RISK MANAGEMENT

5.1 ASSURANCES RECEIVED FROM PARTNERS

There was submitted a report by the Chief Financial Officer (G/18/122) providing an update on the assurances from NHS Tayside and Perth and Kinross Council regarding their governance arrangements, noting that Perth and Kinross IJB is reliant on both Partners to deliver the Integration Joint Board's overall aims and objectives.

Resolved:

- (i) It be noted that the Integration Joint Board had issued confirmation of the adequacy and effectiveness of the governance arrangements in place within Perth and Kinross Integration Joint Board for 2017/18 to NHS Tayside and Perth and Kinross Council;
- (ii) The position regarding confirmation of receipt of the assurance from Perth and Kinross Council be noted;
- (iii) The status of the governance arrangements within NHS Tayside be noted;
- (iv) It be noted that the status of assurances from NHS Tayside and Perth and Kinross Council is consistent with the contents of the Integration Joint Board's Governance Statement in the audited Annual Accounts for 2017/18.

5.2 RISK MANAGEMENT PROGRESS UPDATE

There was submitted a report by the Chief Financial Officer (G/18/123) (1) updating on risk management; and (2) to note and agree the next steps in respect of finalising the Health and Social Care Partnership (HSCP) Risk Profile.

Resolved:

- (i) The progress made in respect of Risk Management, including the further four risk management sessions and the session with the Integration Joint Board, all to be held by the end of October 2018, be noted.
- (ii) The refreshed Risk Management Framework/Process and risk escalation process to be approved at the next Audit and Performance Committee meeting.
- (iii) It be remitted to the Chief Finance Officer to present the Strategic Risk Profile to the Audit and Performance Committee at its next meeting.

5.3 INTERNAL AUDIT PLAN 2017/18 PROGRESS

There was submitted a report by the Chief Internal Auditor (G/18/124) briefing the Committee on progress of the internal audit plan.

Resolved:

Updates to the 2017/18 Internal Audit Plan, as well as commencement of delivery of the 2018/19 plan, as outlined in Report G/18/124, be noted.

5.4 INTERNAL AUDIT PLAN 2018/19

There was submitted a report by the Chief Internal Auditor (G/18/125) seeking approval of the Annual Internal Audit Plan for Perth and Kinross Integration Joint Board for 2018/19.

Resolved:

The Annual Internal Audit Plan 2018/19, as set out in Report G/18/125, be approved.

5.5 AUDIT RECOMMENDATIONS UPDATE

There was submitted a report by the Chief Financial Officer (G/18/126) providing an update with progress on the implementation of all internal and external audit recommendations arising since the formal inception of the Integration Joint Board on 1 April 2016.

Resolved:

Progress made to date on implementing agreed recommendations, as set out in the Appendix to Report G/18/126, be noted.

6. ANNUAL ACCOUNTS

6.1 ANNUAL ACCOUNTS 2017/18

There was submitted a report by the Chief Financial Officer (G/18/127) presenting the Audited Annual Accounts for the period to 31 March 2018 for approval and submission to the Integration Joint Board.

Resolved:

The Audited Annual Accounts for 2017/18, appended to Report G/18/127, be approved for submission to the Integration Joint Board for final approval.

6.2 KPMG EXTERNAL AUDIT ANNUAL REPORT 2017/18

There was submitted a report by the IJB's External Auditors, KPMG, (G/18/128) containing the Annual Audit Report to the Members of Perth and Kinross Integration Joint Board and the Controller of Audit for the year ended 31 March 2018.

Resolved:

- (i) The contents of the Annual Audit Report to the Members of the Perth and Kinross Integration Joint Board and the Controller of Audit for the year ended 31 March 2018 be noted;
- (ii) The report to be amended to include a reference to the number of changes in Board membership since its inception in 2015.

6.3 LETTER OF REPRESENTATION

There was submitted and noted a copy of a letter by the Chief Financial Officer to KPMG (G/18/129) in connection with their audit of the financial statements of Perth and Kinross Integration Joint Board for the year ended 31 March 2018.

7 PERFORMANCE REVIEW

7.1 2018/19 FINANCIAL POSITION

There was submitted a report by the Chief Financial Officer (G/18/130) providing a summary of the issues impacting on the financial position of Perth and Kinross Integration Joint Board in 2018/19, based on the 4 months to 31 July 2018.

Resolved:

- (i) The forecast financial position for 2018/19 and the potential implications for both NHS Tayside and Perth and Kinross Council, as set out in the Appendix to Report G/18/130, be noted.
- (ii) The Chief Officer be instructed to seek formal agreement from Perth and Kinross Council and NHS Tayside on the risk sharing arrangements for 2018/19.

8 FOR INFORMATION / NOTING

No further business.

9 PRIVATE DISCUSSION

Any private discussion took place between members of the committee and the Chief Internal Auditor as required.

10 DATE OF NEXT MEETING / DEVELOPMENT SESSION

Tuesday 20 November 2018 - 1.00pm (Development Session)