



## **PERTH AND KINROSS INTEGRATION JOINT BOARD**

### **AUDIT & PERFORMANCE COMMITTEE**

**18 JUNE 2019**

### **ANNUAL GOVERNANCE STATEMENT**

**Report by Chief Financial Officer (Report No. G/19/103)**

#### **PURPOSE OF REPORT**

The purpose of the report is to seek approval of the Annual Governance Statement for the financial year 2018/19 which provides assurance as to the effectiveness of the Integration Joint Board's (IJB) governance framework and in particular the system of internal control.

#### **1. INTRODUCTION**

- 1.1 The purpose of the Annual Governance Statement (AGS) is to give assurance to our stakeholders that we have effective arrangements in place to ensure that, as an IJB, we are doing the right things for the right people at the right time in an open, honest and accountable way.
- 1.2 The AGS provides an opportunity to review our rules, resources, systems, processes, culture and values to make sure that our governance framework and in particular our system of internal control is:

- legally compliant
- ethically sound; and
- fit for purpose

thereby enabling the IJB to achieve its strategic objectives and provide high quality services that meet the needs of our communities, in an appropriate, efficient and affordable way. It is important therefore, that governance issues are identified systematically and comprehensively and reported in an open and transparent manner.

- 1.3 The Annual Governance Statement for 2018/19 is attached as Appendix 1 to this report.

#### **2. GOVERNANCE ASSURANCE PROCESS**

- 2.1 The process for reviewing the integrity and effectiveness of our governance arrangements to inform the AGS has been led by the Chief Financial Officer.

Evidence has been gathered by way of self-assessment which has been scrutinised by the Chief Financial Officer and the Executive Management Team. In addition, cognisance has been taken of the Audit Scotland report 'Health and Social Care Integration – Update on Progress' from November 2018 and the Ministerial Strategic Group for Health and Community Care report 'Review of Progress with Integration of Health and Social Care' from February 2019 and subsequent self assessment.

- 2.2 Further, whilst not yet finalised, the Chief Officer and Executive Management Team have had feedback on the key improvement actions arising across Strategic Planning, Performance and Leadership and these have been considered as part of the assurance process.

### **3. GOVERNANCE ISSUES**

- 3.1 The assurance process demonstrated that the IJB has in place adequate internal controls that are considered fit for purpose in accordance with the governance framework.
- 3.2 The process has been successful in identifying areas and controls that would benefit from further development to ensure that they can manage and mitigate current and emerging risks more effectively.
- 3.3 These will be incorporated into a Partnership Improvement Plan and updates on progress will be provided to each meeting of the IJB's Audit & Performance Committee along side the Strategic Risk Register and mitigating actions.

### **4. RECOMMENDATION**

- 4.1 It is recommended that the Committee:
- (i) Approve the 2018-2019 Annual Governance Statement.
  - (ii) Agree for the issue of a letter to the Chairs of NHS Tayside and Perth & Kinross Council Audit Committee confirming that adequate and effective governance arrangements were in place throughout Perth & Kinross IJB during the year 2019/19.

#### **Author(s)**

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### **APPENDICES**

1. Annual Governance Statement 2018/19