



REPORT TO: HEALTH AND SOCIAL CARE INTEGRATION JOINT BOARD –
19 JUNE 2024

REPORT ON: DUNDEE INTEGRATION JOINT BOARD ANNUAL INTERNAL AUDIT
REPORT 2023/24

REPORT BY: CHIEF FINANCE OFFICER

REPORT NO: DIJB36-2024

1.0 PURPOSE OF REPORT

1.1 The purpose of this report is to advise the Integration Joint Board of the outcome of the Chief Internal Auditor's Report on the Integration Joint Board's internal control framework for the financial year 2023/24.

2.0 RECOMMENDATIONS

It is recommended that the Integration Joint Board

- 2.1 Notes the content and findings of the attached Annual Internal Audit Report 2023/24 (incorporating Report D05/24 – Internal Control Evaluation 2023/24) (Appendix 1).
- 2.2 Instructs the Chief Finance Officer to report progress towards meeting the recommendations of the Annual Internal Audit Report to the Performance and Audit Committee.

3.0 FINANCIAL IMPLICATIONS

3.1 There are no direct financial implications arising from this report.

4.0 MAIN TEXT

- 4.1 The Integrated Resources Advisory Group (IRAG), established by the Scottish Government to develop professional guidance, outlines the responsibility of the Integration Joint Board (IJB) to establish adequate and proportionate internal audit arrangements for review of the adequacy of the arrangements for risk management, governance and control of the delegated resources. This guidance also shows that the IJB has responsibility for reviewing the effectiveness of the governance arrangements including the system of internal control. To inform this review and the preparation of the governance statement, as stated in the CIPFA framework on Delivering Good Governance in Local Government, Internal Audit is required to provide an annual assurance statement on the overall adequacy and effectiveness of the framework of governance, risk management and control.
- 4.2 The Performance and Audit Committee agreed at its meeting of the 27th September 2023 (Article XIII of the minute refers) to continue the arrangement for the provision of Internal Audit Services through the appointment of Fife, Tayside and Forth Valley Audit and Management Services (FTF) as the IJB's lead internal auditors and therefore continuing the role of Chief Internal Auditor, supported by Dundee City Council's Internal Audit service. The attached report provides the Chief Internal Auditors opinion on the IJB's internal control framework in place for the financial year 2023/24.

- 4.3 The Internal Audit review (incorporating the Internal Control Evaluation) examined the framework in place during 2023/24 to provide assurance to the Chief Officer, as Accountable Officer, that there is a sound system of internal control that supports the achievement of the IJB's objectives. In doing so, the review considered the areas of Corporate Governance, Clinical Governance, Staff Governance, Financial Governance and Information Governance.
- 4.4 The IJB's Draft Annual Statement of Accounts 2023/24 includes a Governance Statement based on a self-assessment of the IJB's governance, risk management and control frameworks as they have developed during 2023/24. While highlighting a number of areas of continuous improvement following on from previous years assessments and recommendations from internal and external audit reports, the governance statement has established there are no major issues.
- 4.5 The Chief Internal Auditors report sets out the findings of their evaluation of the IJB's Governance Framework and highlights both key elements of good practice and areas of recommended improvement to further strengthen the IJBs overall governance system. Where substantive recommendations have been made, a management response and timescale for delivery has been agreed and these will be monitored through the Performance and Audit Committee's Governance Action Plan. The Chief Internal Auditors assessment of the IJB's frameworks concludes that reliance can be placed on the IJB's governance arrangements and systems of internal controls for 2023/24.

5.0 POLICY IMPLICATIONS

- 5.1 This report has been subject to the Pre-11A Screening Tool and does not make any recommendations for change to strategy, policy, procedures, services or funding and so has not been subject to an Integrated Impact Assessment. An appropriate senior manager has reviewed and agreed with this assessment.

6.0 RISK ASSESSMENT

Risk 1 Description	There is a risk that if required actions in response to Internal Audit recommendations are not coordinated and acted on appropriately the IJB's governance arrangements will not be adequate and effective.
Risk Category	Governance
Inherent Risk Level	Likelihood 3 x Impact 4 = 12 – High risk
Mitigating Actions (including timescales and resources)	- Implementation and monitoring of governance action plan as recommended by Chief Internal Auditor
Residual Risk Level	Likelihood 2 x Impact 3 = 6 – Moderate Risk
Planned Risk Level	Likelihood 2 x Impact 3 = 6 – Moderate Risk
Approval recommendation	Given the moderate level of planned risk and the expectation that the mitigating action will make the impact necessary to enhance the IJB's governance arrangements the risk should be accepted.

7.0 CONSULTATIONS

7.1 The Chief Officer and the Clerk along with the Chief Internal Auditor of Dundee IJB were consulted in the preparation of this report.

8.0 DIRECTIONS

8.1 The Integration Joint Board requires a mechanism to action its strategic commissioning plans and this is provided for in sections 26 to 28 of the Public Bodies (Joint Working) (Scotland) Act 2014. This mechanism takes the form of binding directions from the Integration Joint Board to one or both of Dundee City Council and NHS Tayside.

Direction Required to Dundee City Council, NHS Tayside or Both	Direction to: Work with the Health and Social Care Partnership in the further development of an action plan to address issues identified with the attached self-assessment.	
	1. No Direction Required	X
	2. Dundee City Council	
	3. NHS Tayside	
	4. Dundee City Council and NHS Tayside	

9.0 BACKGROUND PAPERS

9.1 None.

Christine Jones
Acting Chief Finance Officer

DATE: 12th June 2024

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FTF Internal Audit Service

D03-25 Dundee IJB Annual Report 2023/24

incorporating

D05-24 Internal Control Evaluation 2023/24

Issued To: D Berry, Acting Chief Officer
C Jones, Acting Chief Finance Officer

G Lloyd, Chief Social Work Officer
D Shaw, Clinical Director / Associate Medical Director

Dundee Integration Joint Board
External Audit

C Wyllie, Chief Internal Auditor, Dundee City Council
D Vernon, Senior Manager, Internal Audit, Dundee City Council

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Contents

TABLE OF CONTENTS		Page
Section 1		
Executive Summary		3
Audit Opinion		4
Key Themes		6
Key Developments		8
Section 2		
Ongoing and required developments and actions		9
Section 3		
Assessment of Risk		49

Draft Report Issued	03 June 2024
Management Responses Received	07 June 2024
Target Dundee IJB	19 June 2024
Final Report Issued	13 June 2024

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INTRODUCTION

1. The Dundee Integration Joint Board (DIJB) Internal Audit Plan is based on a joint risk assessment by Internal Audit and the Chief Finance Officer and approved by the Performance and Audit Committee (PAC). On a cyclical basis, it provides coverage of all key risks and aspects of governance including Corporate, Clinical, Staff, Financial and Information Governance. Internal Audit is also required to provide the PAC with an annual assurance statement on the adequacy and effectiveness of internal controls.
2. Together, the mid-year Internal Control Evaluation (ICE) and the Annual Report provide assurance on the overall systems of internal control, incorporating the findings of any full reviews undertaken during the year and providing an overview of areas which have not been subject to a full audit. These reviews do not and cannot provide the same level of assurance as a full review but do provide insight into the systems which have not been audited in full.
3. The Integrated Resources Advisory Group guidance outlines the responsibility of the Integration Joint Board (the IJB) to establish adequate and proportionate internal audit arrangements for review of the adequacy of arrangements for risk management, governance, and control of the delegated resources.
4. This guidance states that the IJB has responsibility for reviewing the effectiveness of the governance arrangements including the system of internal control. To inform this review and the preparation of the governance statement, as stated in the CIPFA framework on Delivering Good Governance in Local Government, Internal Audit is required to provide an annual assurance statement on the overall adequacy and effectiveness of the framework of governance, risk management and control.
5. Guidance issued in April 2017 requires IJBs to prepare their annual accounts and governance statements in accordance with Local Authority Accounts (Scotland) Regulations 2014. These regulations require an authority to:
 - i) *Be responsible for ensuring that the financial management of the authority is adequate and effective and that the authority has a sound system of internal control which:*
 - (a) *facilitates the effective exercise of the authority's functions; and*
 - (b) *includes arrangements for the management of risk.*
 - ii) *Conduct a review at least once in each financial year of the effectiveness of its internal control.*
6. The CIPFA 'Delivering Good Governance' in Local Government Framework 2016 places a responsibility on the authority to ensure additional assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control is provided by the internal auditor.

OBJECTIVE

7. The Annual Report (including the ICE) provides a holistic overview of governance within DIJB to provide assurance that there is a sound system of internal control that supports the achievement of the IJB's objectives.
8. This review examined the framework in place during the financial year 2023/24 to provide assurance to the Chief Officer, as Accountable Officer, that there is a sound system of internal control that supports the achievement of the IJB's objectives. It considered:
 - *Corporate Governance*
 - *Clinical Governance*

- *Staff Governance*
 - *Financial Governance*
 - *Information Governance*
9. The 2023/24 Internal Audit Annual Report should inform the IJB's judgment on the Governance Statement.

GOVERNANCE STATEMENT AND CONCLUSION

10. DIJB is in an interdependent relationship with both partner bodies in which the controls in place in one body inevitably affect those in the other. The Draft NHS Tayside Governance Statement concludes that *'As the appointed Accountable Officer, I am able to conclude with the ongoing improvement work undertaken throughout the year, [as evidenced above]; the governance framework and the assurances and evidence received from the Board's committees, that corporate governance continues to be strengthened and internal controls were operating adequately and effectively throughout the financial year ended 31 March 2024'*. Additionally, the Draft Dundee City Council Annual Internal Audit Report concludes that *"reasonable assurance can be placed upon the adequacy and effectiveness of the Council's framework of governance, risk management and controls for the year to 31 March 2024"*.
11. Plans are in place to share information on partner assurances before the audited accounts are signed off at the November 2024 PAC, providing the opportunity for the IJB to review any issues of interest to the IJB included in either of the partners' year end conclusions on governance.
12. DIJB has produced a draft Governance Statement for 2023/24 which reflects their own assessment for areas for development, setting out several actions to further strengthen governance arrangements. A number of these are complex areas which have remained outstanding for several years and depend on the input of partner bodies.
13. Internal Audit has reviewed and provided commentary on the Governance Statement.
14. As Chief Internal Auditor, this Annual Report to the IJB provides my opinion on the IJB's internal control framework for the financial year 2023/24.
15. Based on the work undertaken, I have concluded that:

- **Reliance can be placed on the IJB's governance arrangements and systems of internal controls for 2023/24.**

16. In addition, I have not advised management of any concerns around the following:

- **Consistency of the Governance Statement with information that we are aware of from our work.**
- **The format and content of the Governance Statement in relation to the relevant guidance.**
- **The disclosure of all relevant issues.**

RISK

17. Whilst there is no overarching corporate/strategic risk relevant to this review, our audit specifically considered whether governance arrangements are sufficient, either in design or in execution, to control and direct the organisation to ensure delivery of sound strategic objectives.

INTERNAL CONTROL

18. Following a meeting of DIJB in May 2016, FTF were appointed to provide the IJB's Internal Audit Service. The PAC has approved the Internal Audit Charter, which is reviewed annually, as well as a protocol for the sharing of audit outputs between the partner organisations. We can confirm that FTF complies with the Public Sector Internal Audit Standards (PSIAS).
19. FTF undertakes internal quality reviews against Public Sector Internal Audit standards (PSIAS) every year. No issues of concern were identified in the 2023/24 review. During 2018/19 the NHS Tayside Internal Audit Service was externally quality assessed by the Institute of Internal Auditors and concluded that FTF generally conforms to the PSIAS. All actions arising from this review are now complete. A further External Quality Assessment is due to take place during 2024/25.
20. For Dundee City Council Internal Audit Service, an External Quality Assessment in 2018 concluded that the service fully conforms to 11 of the 13 standards and generally conforms to the remaining two.
21. The 2023/24 Internal Audit Plan was approved by the PAC on 27 September 2023. Audit work undertaken in partnership with the Dundee City Council Internal Audit Service has been sufficient to allow the Chief Internal Auditor to provide their formal opinion on the adequacy and effectiveness of internal controls.
22. To inform our assessment of the internal control framework, we developed a self-assessment governance checklist which Internal Audit updated and discussed with management. The checklist was based on requirements of the Integration Scheme, guidance issued by the Scottish Government to support Health and Social Care Integration and best practice. It was also cross referenced to the requirements of the CIPFA 'Delivering Good Governance in Local Government Framework 2016' and supporting guidance notes for Scottish Authorities.
23. Internal Audit validated the assessments reached through discussion with management and examination of the supporting evidence and documentation. Based on our work, we can provide assurance on the key arrangements in place by 31 March 2024, any ongoing developments, and comment on where further development is needed in 2024/25.

AUDIT FOLLOW UP

24. Ongoing and required developments and recommended actions are included at Section 2.
25. The Internal Audit Annual Report 2022/23, issued 12 June 2023, was informed by detailed review of formal evidence sources including Board papers and published documents along with discussions with key officers. As well as identifying key themes, the 2022/23 Annual Report made three specific recommendations on:
 - Sustainability
 - Strategic risk management
 - Completion of outstanding actions
26. Since the issue of the 2022/23 Annual Report, we would have expected these three actions and all previous outstanding actions to have progressed towards completion.

27. However, reporting of Governance Actions has not evolved since the Annual Report last year. An update was provided to the PAC on 22 May 2024, stating that mapping work to develop revised reporting of outstanding Governance Actions previously reported through the Governance Action Plan was complete and that the next stage of the process would be to enhance and refine the recording of these actions to demonstrate a clear link between the source of the required action (Internal Audit Review, External Audit Recommendations, Annual Governance Statement reviews etc), progress made and actions being taken.
28. Preparation for significant changes in the IT infrastructure provided by Dundee City Council has diverted resources and full migration of the outstanding actions for monitoring purposes has not been able to be achieved to date and will be presented to the September 2024 meeting of the PAC.
29. In this report, we have provided an update on progress to date and, where appropriate, built on and consolidated previous Annual Report recommendations to allow refreshed action and completion dates to be agreed. This has culminated in 10 recommendations for which Management have agreed actions to progress by year end.

KEY THEMES

30. During 2023/24 DIJB has experienced resource pressures that have had impacted on progress with key areas of improvement work and governance related activity. These areas have been highlighted within the detailed findings of this report.
31. The Audit Scotland report – NHS Scotland 2023, issued February 2024, stated that *‘significant service transformation is required to ensure the financial sustainability of Scotland’s health service. Rising demand, operational challenges and increasing costs have added to the financial pressures on the NHS and, without reform, its longer-term affordability. The NHS, and its workforce, is unable to meet the growing demand for health services. Activity in secondary care has increased in the last year but it remains below pre-pandemic levels and is outpaced by growing demand. This pressure is creating operational challenges throughout the whole system and is having a direct impact on patient safety and experience.’* Internal Audit have recorded similar concerns and highlighted the strategic changes required. The financial risk for DIJB, NHS Tayside, Dundee City Council and the whole public sector has continued to increase.
32. As reported in our 2022/23 Annual Report, the environment in which the DIJB currently operates is both exceptionally complex and extremely challenging, particularly in terms of finance and workforce and there is no guarantee that arrangements being put in place can or will mitigate the associated risks to acceptable levels.
33. The Strategic Commissioning Framework (SCF) was published in June 2023 but the accompanying Resource and Performance frameworks, along with an Annual Delivery Plan have been deferred due to resource issues at management level. These key documents are vital to the future of DIJB and will identify what needs to be de-prioritised and how these areas will be identified. The October 2023 DIJB was informed that work on these documents had commenced but was paused to divert available resources to prepare for and support the Dundee Adult Support and Protection Inspection. This inspection was a recent announcement therefore it was not anticipated in Dundee HSCP’s resource planning for the period.
34. Within the five-year financial outlook 2023-28, it is estimated that total savings of circa £36m will be required, as reported to DIJB in December 2023. In our 2022/23 Annual Report we commented that it is extremely unlikely that savings of this magnitude can be achieved without a significant transformation programme accompanied by clear prioritisation. This will mean making difficult choices and require a clear focus on financial sustainability. The production of key documents

should be progressed as a matter of priority including, but not limited to the Resource Framework, Performance Framework and Annual Delivery Plan.

35. DIJB has relied on the use of its reserves in 2023/24 and plans use of further reserves in 2024/25 to balance its budget.
36. A renewed focus on transformation and change is required. DIJB will need to deliver against its strategic objectives in an environment that has serious financial and workforce constraints. Transformation is key to delivering improvements and financial savings sufficient to enable sustainable services.
37. Once DIJB has progressed the Resource Framework, Performance Framework and Annual Delivery Plan, this will provide an opportunity to reflect on the overall risk profile and focus on mitigating risks with the potential to stop the organisation achieving its strategic objectives.
38. The environment in which the IJB operates currently is both exceptionally complex and extremely challenging, particularly in terms of finance and workforce. There is no guarantee that arrangements being put in place can, or will, mitigate the associated risks to acceptable levels. We performed detailed follow up work on all the outstanding recommendations from our previous annual reports which had been reported as outstanding in our 2022/23 Annual Report – see section 2.
39. We have previously reported that governance developments identified within the IJB's own self-assessment and through internal and external audit recommendations have not progressed as anticipated. Progression of the Governance Action Plan will be a key assurance to the PAC, whose requires they *'receive reports, monitor the implementation of agreed actions on audit recommendations and reporting to the IJB as appropriate'*.
40. The current position with action to address previous Internal Audit Annual Report recommendations is set out at Appendix 1, setting out the main themes alongside the current position which shows that, overall, progress to date has been limited.
41. Many of the themes identified in previous Annual Internal Audit Reports, particularly in relation to the monitoring of the delivery of Strategy and Transformation, as well as the flow of assurance over risks, remain pertinent. Concerted action is required to ensure coherence between Governance Structures, Performance Management, Risk Management and Assurance and to improve DIJB's ability to monitor the achievement of operational and strategic objectives, including those necessary to enhance the sustainability of services.

KEY DEVELOPMENTS

42. Key developments since the issue of our 2022/23 Annual Report included:
 - The new Strategic Commissioning Framework (SCF) was published in June 2023
 - Input to the development of the Tayside Primary Care Strategy
 - DIJB approval of the financial budget for 2024/25
 - Ongoing delivery of the Primary Care Mental Health and Wellbeing Framework for Dundee
 - Update to the DIJB Standing Orders
 - The Joint Inspection of Adult Support & Protection in the Dundee Partnership by the Care Inspectorate

ACTION

43. The action plan has been agreed with management to address the identified weaknesses. A follow-up of implementation of the agreed actions will be undertaken in accordance with the audit reporting protocol.

ACKNOWLEDGEMENT

44. We would like to thank all members of staff for the help and co-operation received during the course of the audit.

J Lyall BAcc (Hons) CPFA

Chief Internal Auditor

CORPORATE GOVERNANCE

Strategic Risks

- **National Care Service** – the recent legislation published on the establishment of the National Care Service sets out plans to introduce Local Care Boards with the abolition of Integration Joint Boards – **(Current Score: 20)**
- **Increased Bureaucracy** – governance mechanisms between the IJB and partners could lead to increased bureaucracy in order to satisfy the assurance arrangements required to be put in place – **(Current Score: 16)**
- **Category 1 Responder** – additional responsibilities not supported by additional resources from Scottish Government and existing resources are not sufficient to meet statutory duties – **(Current Score: 8)**

Governance Arrangements

Standing Orders were revised and adopted by DIJB in December 2023. The revision was minor and reflected the PAC updated Terms of Reference following comments included in the Audit Scotland 2020/21 Annual Report. Revised terms of reference for the PAC were presented to the January 2024 PAC following their approval by the IJB in December 2023.

During 2023/24 there have been changes to the membership of the IJB, and now that the Integration Scheme approved in 2022, has bedded in, a Board Development session for members on the requirements of it would be beneficial.

During the year governance committees met the required number of times as required by Standing Orders and Terms of Reference. Following each meeting of the PAC a Chair's assurance report and minutes are provided to DIJB.

The PAC presented their 2022/2023 Annual Report to the August 2023 DIJB. Whilst the report detailed the work undertaken by the PAC during the period, it did not explicitly confirm that the PAC had fulfilled its remit, nor did it provide a formal conclusion as to the adequacy and effectiveness of internal control. The 2023/24 PAC Annual Report should be reviewed to ensure it contains all required elements.

Integration, Ministerial Steering Group (MSG) and Governance Action Plan (Incl. Audit Follow Up)

Internal Audit concluded in D06-21 Governance Action Plan, issued in April 2023, that the Governance Action Plan (GAP) does not make it easy to identify if all the recommendations from a specific report/source have been completed. Management agreed that separate reports would be reported to the PAC as follows:

- Internal Audit Report and Annual Report recommendations.
- External Audit Recommendations.
- External Review Recommendations, for example Ministerial Steering Group (MSG) report.
- Governance Statement Improvement Actions.
- Actions from agenda item discussions to be reported within the standard agenda item – Action Tracker.

As reported in our Key Themes, progress with the GAP has been limited and an update be presented to the September 2024 meeting of the PAC.

The Care Inspectorate's Joint Inspection of Adult Protection in Dundee, published in November 2023, did identify key areas for improvement, and stated *"the pace of strategic change and improvement needed accelerated. The partnership was aware through joint inspection in 2017 that improvement was required across key areas of practice and strategic leadership. Their own audit activity had reached similar conclusions, but progress was limited in key areas"*.

Strategy

As reported in our Key Themes, the Resource Framework and Performance Framework and the Annual Delivery Plan to support the IJB Strategic Commissioning Framework 2023-2033 are still to be developed.

Initial work undertaken to support the drafting of the first annual delivery plan for 2023/24 did not progress as planned. In October 2023 DIJB were advised that work had been paused as available resource were to be diverted to prepare for and support the Dundee Adult Support & Protection Inspection. A further update was planned for December 2023, but no update was provided.

It was recognised by DIJB in the SBAR, when presenting the Strategic Commissioning Framework in June 2023 that *"taking the time to do this [developing an annual delivery plan and approach] will provide a strong foundation for review and publication of annual plans throughout the rest of the lifetime of the strategic commissioning framework"*.

Once approved, consideration will have to be given how these documents will be monitored and how the IJB will receive assurance.

We welcome the direction of travel and the intent demonstrated which align with previous internal audit recommendations and principles. Our 2021/22 Annual Report recommended that the IJB should consider how it receives assurances and monitors progress against actions in the Strategic Commissioning Plan. Management responded that the reporting of the delivery of this plan alongside the wider performance indicators will provide the necessary assurances to the IJB that priorities are being delivered.

Superseding this previous recommendation, we have recommended that the work to produce the accompanying documents and Annual Delivery Plan be prioritised as the successful delivery of the ten-year strategy will hinge on ensuring the early year plans are embedded and can be measured.

The Dundee Primary Care Mental Health & Wellbeing Framework has been in development since 2022 and a Progress Report 2023 was brought to the December 2023 DIJB. A programme management approach is being used to develop the framework. The corresponding Delivery Action Plan 2024-2027 is in development and, over the next 12 months, outcomes, measures, and key performance indicators will be identified and established. There is an opportunity to triangulate the progress report to the Mental Health Service Indicators presented to the PAC and to conclude if the data shows that the work being carried out within the Framework is having the desired effect.

Operational Planning

Internal Audit Report D06-23 Operational Planning was issued on 22 January 2024 and provided reasonable assurance. We made four recommendations and Management have provided appropriate responses.

The Annual Delivery Plan (ADP) will link the Strategic Commissioning priorities with the Strategic Financial Plan. The delay in producing this may have limited DIJB's ability to lay the foundations to generate required improvements in 2023/24. Given the scale of changes to demand, operations and availability of resources, delivery of the strategy will be fundamental to the future sustainability of services and the ADP and associated documents will need to balance resources between the serious short-term risks arising from current operational pressures against the longer-term threats to viability and sustainability.

Performance

In April 2022 DIJB approved changes to the format of the Annual Performance Report, with future years' reports to be broken down into rolling quarterly reports, each focused on one of the strategic priorities.

The Annual Performance Report 2022/23 was presented in August 2023 but, having made a start in the process to develop the five annual editions linked to Strategic Priorities, it was not achieved, with management citing pressures on capacity of officers and a greater time period was required to accrue required content for inclusion.

It was agreed that that consideration would be given to arranging a briefing session for IJB members on understanding the data presented and this is scheduled for summer 2024.

We have commented previously on the high quality of performance reporting in DIJB, albeit noting the need for performance systems to provide assurance on both Strategic Risks and the implementation of the IJB's Strategic Commissioning Framework.

The latest performance data presented to the May 2024 PAC for Quarter 3 2023/24 demonstrated that operational performance has, overall, been challenging:

- Performance is poorer than the 2019/20 baseline for emergency admissions 18+, rate of hospital admissions due to a fall 65+, emergency admission numbers from A&E 18+, emergency admissions as a rate of all A&E attendances 18+, 28 day readmission rate, % care services graded good, and the rate of standard bed days lost to delayed discharges 75+.
- Performance against the standard on spending the last 6 months of life at home or in a community setting (90.3%) is higher than the baseline (89.1%). Performance across Scotland is similar and Dundee is in the middle of the three Tayside Partnerships.
- The rate of bed days lost to complex delayed discharge for age 75+ was lower than the 2018/19 baseline.
- The rate of bed days lost to standard delayed discharge for age 75+ is 146% more than the 2018/19 baseline.
- Performance on rate of hospital admissions due to a fall is 16% higher than the 2018-19 baseline.
- Percentage of care services graded 'good' (4) or better in Care Inspectorate reports has deteriorated from 86.2% (2018/19 baseline) to 75.2% in 2022/23.

Unscheduled hospital care is one of the biggest demands on Partnership resources. Since February 2023 a short life working group has been developing a robust understanding of local data and has identified specific areas for further analysis to inform future improvement activity.

As a result of the particularly high rate of hospital admissions within the Dundee population of people over 65 because of a fall, a paper analysing the data and providing assurance on preventative and proactive work was considered by the IJB on 21 February 2024. The Dundee Falls Group is a multi-agency group meeting every 2 months and co-chaired by the Dundee HSCP Operational and Strategic Lead for Falls. Whilst the national falls and fracture prevention strategy was paused during the Covid-19 pandemic, NHS Tayside and the three HSCPs developed a Tayside Falls Prevention and Falls Management Strategic Framework. It sets out 12 commitments for Tayside to achieve between 2023 and 2027, aligned to the requirements of the national Up and About Framework. The PAC receive updates on the national indicator – Falls Rate per 1,000 Population in over 65s – in their Quarterly Performance Reports.

Whistleblowing awareness has been promoted with 'Speak Up' week but an IJB briefing session scheduled has been pushed back to summer 2024.

DIJB is committed to the development of a Performance Framework as one of the companion documents to the Strategic Commissioning Framework. Our Annual Report 2022/23 detailed principles that should be considered in the format of future reporting.

Lead Partner Services

The Integration Scheme requires Lead Partner Chief Officers to seek approval from all IJBs on proposed strategy and to provide reports on those services to other IJBs at least in every planning period (which would mean once every 3 years). Internal audit reports over many years have highlighted that assurances on these services required improvement.

On 25 October 2023 DIJB received an update on progress to develop the Tayside Primary Care Strategy 2024-2029. Angus IJB has responsibility for the strategic planning coordination in relation to Primary Care Services in Tayside and DIJB received updates on the strategy and noted the direction of travel.

A new process in place to share Quality Assurance reports (Clinical Governance reports) for Lead Partner services across all three Clinical Care & Professional Governance Groups is being progressed. This relates to some of the most significant risks across Tayside (i.e. Primary Care and Mental Health). We have been informed that discussions have commenced with the Heads of Service across all three HSCPs to develop a framework and structure, possibly through establishing a Strategic Commissioning Group for hosted services. The February 2024 Clinical Care & Professional Governance Group heard that work has been started on producing a template for an annual report of a lead agency service to come to the group which can then be shared with the other Partnerships. We urge the IJB to progress this as a matter of urgency.

Risk Management

In August 2023 Risk Appetite sessions with DIJB members took place. A questionnaire was to be developed to identify risk categories and appropriate risk appetite and target scores. The intention was that this would better inform risk-based decision making for DIJB in future. Following this exercise, the inherent risks were to be revisited to take into account external events that have resulted in current risk scores being higher than previous inherent risk scores. An update to the PAC in January 2024 stated the same intent but no progress has been reported to the PAC to date. The Chief Finance Officer has informed us that the questionnaire has been deferred, initially for work on the Joint Inspection of Adult Protection Services, and latterly for the Dundee City Council systems changeover.

Our 2021/22 Annual Report made a significant recommendation on how the IJB receives assurances on risk, recognising that risk appetite is still to be developed. This action has not been progressed.

The Chief Finance Officer has informed us that development sessions for members are now in the diary for 2024/25 and one of these will be allocated to risk after the summer recess.

The PAC considered a strategic risk report at each of its meetings. The scores over the period are presented in the table below from start of year to most recent Report. We note that the Risk Management Annual Report was presented directly to the DIJB and not to the PAC as stated in the PAC Terms of Reference.

Risk	Annual Report DIJB April 2023	Annual Report DIJB April 2024	PAC May 2024	
Staff Resource (recruitment challenge)	25	25	25	→
Dundee Drug & Alcohol Recovery Service	25	16	16	→
National Care Service	25	25	20	↓
Staff Resource (Performance Management)	20	20	Archived	
Primary Care	20	20	20	→
Restrictions on Public Sector Funding	20	20	20	→
Unable to maintain IJB spend	16	20	20	→
Lack of capital investment in community facilities (including Primary Care)	16	16	25	↑
Cost of living crisis	16	16	16	→
Data Quality	-	12	16	↑
Impact of Covid 19	16	12	Archived	
Mental Health Services	16	16	16	→
Category 1 Responder	8	8	8	→
Increased bureaucracy	9	9	16	↑
Governance arrangements	12	8	8	→
Employment Terms	9	9	9	→
Capacity of leadership team	12	16	16	↑
Viability of external providers	16	16	16	→
NEW Escalation of property safety issues	-	-	16	→
NEW Changes to IT systems	-	-	16	↑
NEW Implementation of Safe Staffing	-	-	12	→

Internal Audit report D05-21 Performance Management, issued on 3 November 2021 made a significant recommendation to link risk with performance. The Strategic Risk Register update to the January 2024 PAC stated that “All strategic risks are reviewed regularly, and mitigating actions recorded and scored. Further development work is underway to link risk with performance as recommended in Internal Audit Report on Performance Management presented to the PAC at its meeting on 24 March 2021”. However, the next Strategic Risk Register update to the PAC on 22 May 2024 did not reference this work and therefore it is not clear what, if any development work is being undertaken.

Best Value

A Best Value report 2023/24 was presented to the December 2023 DIJB and provided assurance that DIJB and its partners have arrangements in place to demonstrate that Best Value is being achieved.

The assessment provided detailed evidence and outcomes aligned to each of the seven themes of best value.

Communication and Engagement

The development of the Strategic Commissioning Framework 2023-2033 included contributions from across the HSCP, including third parties, charitable organisations, and independent sectors. The Framework identifies “Planning Together – Planning Services to Meet Local Need” as a Strategic Priority.

The Dundee City Plan 2022-2032 details arrangements in place within the HSCP to support and actively contribute to delivery of priorities and outcomes within the Plan.

Business Continuity

The IJB considered the Category 1 Responder 2022/23 Annual Report at their meeting on 21 June 2023. The report summarised the activities undertaken around the assessment of risk, information sharing and co-operation. Work to prepare a comprehensive, integrated readiness assessment for the HSCP covering both emergency planning and business continuity risk was to be a priority area of work for the Partnership's Resilience and Business Continuity Group in 2023/24, however this was not delivered in year.

Directions

DIJB adopted a joint directions policy in April 2023. The policy, section 2.3 – Monitoring – states that the Chief Officer will ensure that all directions are reviewed through the IJB PAC as appropriate. PAC will, where relevant, request a mid-year progress report. No update report has been presented to the PAC.

Public Sector Equality Duty

A revised template for Integrated Impact Assessments for use within the IJB and PAC was used from the start of 2023 and feedback was given as officers completed these and members reviewed them to identify what works well and where aspects could be improved. The template has been revised in line with this feedback and the new template will be used from May 2024 (for the PAC) and June 2024 (for the IJB).

Action Point Reference 1 – General Governance Issues

Finding:

A high proportion of issues previously highlighted by Internal Audit and others which have resulted in agreed recommendations have not been taken forward as expected. We have also reported several areas where update reports were promised but not delivered. There remain a number of intractable, long-standing issues outstanding, recognised through the governance action plan based on previous internal audit recommendations, actions agreed through the MSG Self-Assessment, and mirrored in the IJB's Governance Statement for 2022/23 as areas requiring further improvement.

We would expect these areas for improvement to continue to feature in DIJB's Governance statement and would reiterate the need for robust monitoring by the PAC and consideration of the consequences of non-achievement on the overall control environment. As a matter of priority, the action point from Internal Audit report D06-21 Governance Action Plan, issued in March 2023, needs to be progressed.

Audit Recommendation:

Alongside robust monitoring of agreed governance improvement actions, we would recommend that a clear escalation route is introduced to allow DIJB to identify any required remedial action. Barriers to achievement and solutions to address these should be clearly identified, and the Chair's Assurance report should clearly identify these key governance issues so that the IJB understands their importance, impact and is able to take appropriate action. A similar action point was highlighted in D05-20. Consideration should be given to whether a strategic risk on delivery of key governance improvements is required, including but not limited to assurances on operational delivery, meeting key targets, aligning of services to strategic intentions, leading to possible concerns over delivery of the Strategic Commissioning Framework, governance breaches, non-compliance issues and impact on the reputation of the IJB.

Assessment of Risk:

Significant



Weaknesses in design or implementation of key controls i.e. those which individually reduce the risk scores.

Requires action to avoid exposure to significant risks in achieving the objectives for area under review.

Management Response/Action:

Regular reports and updates have been presented to PAC detailing progress and resourcing challenges. A commitment was made at May 2024 PAC to bring full update to September PAC.

Action by:

Chief Finance Officer

Date of expected completion:

September 2024

Action Point Reference 2 – Resource Framework and Annual Delivery Plans

Finding:

Our Annual Report 2021/22 made a significant recommendation to consider how DIJB receives assurances and monitors progress against actions in the Strategic Commissioning Framework. Management's response was that the reporting of the delivery of this plan alongside the wider performance indicators will provide the necessary assurances to the IJB that priorities are being delivered.

On 21 June 2023 DIJB was advised that work would subsequently commence on the development of a resource and performance framework and an annual delivery plan for 2023/24. The minutes record that the Chief Officer was instructed to bring a further update no later than 31 October 2023.

The October 2023 DIJB was informed that work on the companion documents had commenced but had been paused due to all available resources being diverted to prepare for the Dundee Adult Support & Protection Inspection, currently underway. A further update was to be provided in December 2023.

The undertaking to provide an update in December 2023 was not included on DIJB's Action Tracker and no update was given to the December meeting. The January 2024 meeting had a limited agenda and contained no update, nor was there an update at any of the February, March, or April 2024 meetings.

Audit Recommendation:

A firm timeline for prioritised completion of the resource and performance frameworks and an Annual Delivery Plan should be put in place. These documents are key to DIJB achieving financial sustainability over the coming years and will need to demonstrate areas of investment and disinvestment.

DIJB should ensure that updates on progress are given at each meeting until the documents are presented for approval.

Assessment of Risk:

Significant



Weaknesses in design or implementation of key controls i.e. those which individually reduce the risk scores.

Requires action to avoid exposure to significant risks in achieving the objectives for area under review.

Management Response/Action:

Delivery Plan update report being taken to IJB in June with commitment to take full report by October 2024

Action by:

Date of expected completion:

Chief Officer

October 2024

Action Point Reference 3 – Terms of Reference PAC

Finding:

In our 2021/22 Annual Report we made a recommendation that the PAC should provide a year-end report to the IJB with a conclusion on whether it has fulfilled its remit and its view on the adequacy and effectiveness of matters under its purview.

The PAC did provide a year-end report to the IJB in August 2023 which provided a summary of work undertaken by the committee and did not explicitly conclude as to whether the PAC had fulfilled its remit.

Audit Recommendation:

The Annual Report of the PAC should conclude on the adequacy and effectiveness of its work and provide assurance that it has fulfilled its remit during the year under review.

Assessment of Risk:

Merits
attention



There are generally areas of good practice.

Action may be advised to enhance control or improve operational efficiency.

Management Response/Action:

Agreed – annual report from PAC to IJB will include assurance.

Action by:

Date of expected completion:

Chief Finance Officer

August 2024

Action Point Reference 4 – Register of Interests and Statutory Information

Finding:

Statutory documents available on the HSCP public webpage are out of date and lack version controls. The Register of Members' Interests is dated 2021, Financial Regulations are 2016 and Scheme of Delegation is 2019. The Code of Conduct is understood to be from 2022 though it has no document control or date on it.

Audit Recommendation:

A document control front sheet should be included with each statutory document, clearly showing the latest date of review and the version number.

Assessment of Risk:

Moderate



Weaknesses in design or implementation of controls which contribute to risk mitigation.

Requires action to avoid exposure to moderate risks to achieving the objectives for area under review.

Management Response/Action:

Recommendation agreed – updated documents will be obtained and uploaded with review dates and version numbers. Updated Financial Regulations report and Scheme of Delegation report are to be taken to June IJB.

The Register of Member's Interest is currently under review with a view to completing in August 2024.

Action by:

Chief Finance Officer

Date of expected completion:

August 2024

Action Point Reference 5 – PAC and Strategic Risk Register

Finding:

One of the duties of the PAC, as stated in their terms of reference, paragraph 11 is to “review risk management arrangements, receive regular reports on risk management and an annual Risk Management report.”

Though the PAC received regular strategic risk register updates, the risk register annual report was presented directly to DIJB in April 2024, without having been considered and approved by the PAC.

Audit Recommendation:

In relation to the Strategic Risk Annual Report, the PAC should receive, review and then endorse this for onward submission to DIJB.

Assessment of Risk:

Merits
attention



There are generally areas of good practice.

Action may be advised to enhance control or improve operational efficiency.

Management Response/Action:


Noted – future annual reports will go to PAC then to IJB.

Action by:

Date of expected completion:

Chief Finance Officer

May 2025

Action Point Reference 6 - Directions	
Finding:	
<p>DIJB adopted a joint directions policy in April 2023. The policy states that the Chief Officer will ensure that all directions are reviewed through the IJB PAC as appropriate. The PAC will, where relevant, request a mid-year progress report. No update report has been presented to the PAC during the 2023/24 financial year.</p>	
Audit Recommendation:	
<p>A monitoring process for directions should be implemented, including requesting progress reports from the partners as required.</p>	
Assessment of Risk:	
<p>Merits attention</p>	<div style="display: flex; align-items: center; gap: 10px;">  <p>There are generally areas of good practice. Action may be advised to enhance control or improve operational efficiency.</p> </div>
Management Response/Action:	
<p>Due to relatively low number of directions issued during the last year, however acknowledge directions policy and processes will be implemented accordingly with annual report to PAC.</p>	
Action by:	Date of expected completion:
Chief Officer	May 2025

Action Point Reference 7 – Action Trackers

Finding:

Our review of papers evidenced that, on occasion, a request arising at a committee meeting for an update or additional paper was not included in the Action Tracker and therefore was not followed up as intended.

Audit Recommendation:

Committee support should review minutes to ensure that all items for future action agreed at Committee meetings are reflected in the Action Planner to ensure follow-up is undertaken.

Assessment of Risk:

Moderate



Weaknesses in design or implementation of controls which contribute to risk mitigation.

Requires action to avoid exposure to moderate risks to achieving the objectives for area under review.

Management Response/Action:

DCC Committee Services and HSCP management team to work together to ensure actions continue to be captured on Action Tracker and explore options to monitor follow-up.

Action by:

Date of expected completion:

Committee Clerk and Chief Officer

August 2024

CLINICAL GOVERNANCE

Strategic Risks

- **Primary Care** – Continued challenges around the sustained primary care services, arising from recruitment, inadequate infrastructure including IT and location, and inadequate funding to fully implement the Primary Care Improvement Plan – **(Current Score: 20)**
- **Dundee Drug & Alcohol Recovery Service** – Several risks for the Drug and Alcohol Recovery Service (formerly Integrated Substance Misuse Service) escalated from the Operational Risk Register. These include:
 - Insufficient numbers of staff in integrated substance misuse service with prescribing competencies.
 - Increasing Patient demand in excess of resources
 - Current funding insufficient to undertake the service redesign of the integrated substance misuse service
 - COVID -19 Maintaining Safe Substance Misuse Service
 - Nursing Workforce
 - **(Current Score: 16)**
- **Mental Health Services** – There are system wide risks in the Mental Health Service. These include workforce and demand issues – **(Current Score: 16)**
- **Governance Arrangements being established fail to discharge duties** – clinical, care and professional governance arrangements being established fail to discharge the duties required – **(Current Score: 8)**

Clinical Governance Arrangements and Reporting

Dundee HSCP continues to provide regular, high-quality assurance reports to the NHS Tayside Care Governance Committee as well as to each meeting of the Dundee IJB PAC. Each report provided to the PAC provided reasonable assurance.

An Annual Report for the year is due to be presented to the June 2024 IJB. The report provides reasonable assurance and reflects on the strategic risks, the barriers to reducing risk and how these are being addressed and key priorities for 2024/25.

Dundee HSCP Clinical, Care and Professional Group (CCPG) is responsible for ensuring that there are effective and embedded clinical governance systems in all services within the HSCP. To inform the CCPG, nine Primary Governance Groups (PGG) produce exception reports that are considered by the CCPG along with other pieces of work detailing current challenges and potential future issues identified through triangulation of data reviewed through the PGGs. We noted instances whereby exception reports were not produced for meetings and representatives of the nine PGG did not attend. We would expect these to be appropriately reflected in the CCPG Annual Report for 2023/24.

Management structures across the HSCP have been redesigned during the reporting period 2023/24, and continue to be reviewed, and membership of the CCPG will be updated to reflect this, along with the Primary Governance Group structure.

A Clinical, Care and Professional Governance Forum allows managers and lead governance staff to review performance data, discuss challenging areas, improve understanding of processes and systems across the HSCP, manager peer review and shared learning.

The Getting it Right For Everyone (GIRFE) framework operates pan-Tayside ensure consistency of approach across the HSCP against agreed, prioritised governance domains and has reporting lines to the CCPG. GIRFE remains extant whilst NHS Tayside reviews its Clinical Governance Strategy, and the intention is to amalgamate the current NHS Tayside Clinical Governance Strategy and the GIRFE Framework.

The PAC scrutinise the CCPG reports presented and request further detail as required. For example, in February 2024 the PAC requested that future reporting would be enhanced by highlighting the movement in overdue adverse events reviews.

The August 2023 CCPG discussed assurance levels. We recommend that DIJB formally considers the FTF Assurance Principles and adopts these for use across its Board/PAC /Groups, which would provide the clarity around the use of assurance levels that are used by the NHS Tayside Clinical Governance Committee.

Adverse Event Monitoring

The CCPG reports to the PAC have highlighted concerns on management of adverse events. The report to the PAC on 22 May 2024 (with data to 31 January 2024) highlighted that there were 16 unverified events, all of which had exceeded the timescale of 72 hours for verification. There were 316 verified events that were overdue for completion within the Datix system, with over 200 of these being over 180 days overdue. Actions have been identified within the CCPG report to progress these outstanding reviews.

The latest report to the PAC; on 24 May 2024, reported two active Significant Adverse Event Reviews in Dundee HSCP. One of these is now ready to be signed off.

The NHS Tayside Clinical Governance Committee has requested an improvement in the number of incomplete verified events as reported in the CCPG minutes of 28 February 2024.

Due to the complex nature of some of these adverse events, along with longstanding issues around workforce availability, teams focus is on recent events rather than older actions. The CCPG is renewing its focus on addressing this issue with Mental Health & Learning Disability and Dundee Drug and Alcohol Recovery Services now having established review groups to further support this work.

Mental Health

In June 2023 DIJB approved the Mental Health & Learning Disability Whole Change System Programme. The Change Programme covers 12 workstreams which will be the focus of transformational change over the next 2-3 years. The covering paper highlighted the risk that such an ambitious programme could lead to an ongoing pattern of lack of progress and inactivity and additional investment has been requested to be sourced to provide the required capacity.

Dundee Drug & Alcohol Recovery Service (DDARS)

The DDARS strategic risk score reduced from 25 to 16 during the year as a result of progress made in implementation of Medication Assisted Treatment (MAT) standards and increased senior leadership within the team. MAT are evidence based standards to enable the consistent delivery of safe, accessible, high-quality drug treatment across Scotland. These are relevant to people and families accessing or in need of services, and health and social care staff responsible for delivery of recovery oriented systems of care. Progress on MAT Standards 1-5 has been sustained and work on improvement plans and tests of change to meet Standards 6-10 is in progress.

In November 2022, the PAC received the first suite of indicators focused on performance in drug & alcohol services; this followed a request from the PAC for the development of a wider suite of indicators that would better demonstrate progress against local priorities and areas for improvement.

The latest figures were presented to the PAC on 31 January 2024 and covered Q2 2023/24. No quarterly report was provided for the May 2024 PAC. The proportion of people who started treatment within 21 days of referral increased from 61% at Q2 2022/23 to 91% at Q2 2023/24. The waiting times standard continues to be met. The number of referrals for drug treatment services decreased from 555 at Q2 2022/23 to 546 at Q2 2023/24 however the number of individuals starting drug treatment services has increased by 23% during the same period.

In August 2023 the ADP Annual Reporting Survey 2022/23 was considered by DIJB. This is a submission made to Scottish Government which collects information from all ADPs across Scotland to inform the National Mission and to set priority areas of work for national organisations which support local delivery of services.

External Reviews

The report of the Joint Inspection of Adult Support & Protection in the Dundee Partnership area was published on 19 December 2023 and was considered by DIJB at their meeting on 14 February 2024. The Joint Inspection Team found that key processes and leadership for adult support and protection are “effective” with “clear strengths supporting positive experiences and outcomes for adults at risk of harm, which collectively outweigh areas for improvement”.

The external report’s findings on areas of strength and improvement closely aligned with those identified in Dundee HSCP’s own self-evaluation submission. An Improvement Plan was developed and approved by the Dundee Chief Officers Group and submitted to the Care Inspectorate on 7 February 2024. This Plan builds on the existing Adult Support and Protection Delivery Plan. Work to communicate the inspection findings across the workforce is ongoing.

A Significant Case Review report was published in November 2023 covering the period from December 2018 to October 2020. The report made 12 recommendations relating to multi-agency practice, including some with relevance to adult health and social care services. The PAC / DIJB have not had a specific agenda item about this report at any of their meetings since the publication date though the Chair and Vice-Chair received a confidential briefing, and a briefing note was subsequently issued to all DIJB members in November 2023.

The CCPG assurance report to the PAC on 31 January 2024 included details of the Joint Inspection report but did not include details of the Significant Case Review. The CCPG assurance report to the PAC on 24 May 2024 provided a summary of the key areas for improvement identified via the Joint Inspection but again did not include any information on the Significant Case Review. The minutes of the CCPG do not reference this Significant Case Review but do mention the Joint Inspection report.

We have been assured by management that an update report will be presented to the October 2024 IJB which will include the consolidated improvement plan for both the Joint Inspection and the Significant Case Review.

Action Point Reference 8 – Clinical Governance Assurances

Finding:

Assurance on clinical governance, the systems through which organisations are accountable for continuously monitoring and improving the quality of their care and services, ensuring that high standards are safeguarded, is provided to each meeting of the PAC through the assurance report from the CCPG.

Nine Primary Governance Groups (PGGs) provide exception reports to the CCPG. Our review of the CCPG meetings in 2023/24 noted that there were gaps in both attendance at, and provision of reports to, the CCPG from some of the PGGs. Some of the non-compliant groups work in the highest risk areas within the HSCP.

For example Dundee Drug & Alcohol Recovery Service (DDARS) neither attended nor provided an exception report both in October 2023 and February 2024. Psychological Therapy Services neither attended nor provided an exception report in two consecutive meetings in June and August 2023. A representative from Acute & Urgent Care only attended one of the six meetings in the year, though a report was provided for four out of six meetings.

Audit Recommendation:

The CCPG should monitor the attendance of the PGGs at each meeting and whether reports have been provided as required.

This analysis of attendance and engagement in the clinical governance process should be provided to the PAC in the CCPG's assurance reports, along with highlighting any areas of concern around areas of high risk that need to be drawn to the Board's attention.

Assessment of Risk:

Significant



Weaknesses in design or implementation of key controls i.e. those which individually reduce the risk scores.

Requires action to avoid exposure to significant risks to achieving the objectives for area under review.

Management Response/Action:

Attendance at the CCPGG and provision of reports from the Primary Governance Groups to the CCPGG will be more closely monitored with follow up action where this is absent. Information will be included within the assurance reports to the PAC detailing compliance with both of these elements.

There are a number of forums where key risks are highlighted and discussed (Management meetings, professional meetings, risk management group) so awareness is high. It is, of course, recognised that the formal route through CCPGG must be adhered to.

Action by:

Date of expected completion:

Chief Officer & Clinical Director

December 2024

Action Point Reference 9 – Assurance Principles

Finding:

A review of the CCPG minutes for 2023/24 evidenced discussion and seeking of clarity around what 'assurance' the Group were expected to provide to NHS Tayside's Care Governance Committee.

Audit Recommendation:

We recommend DIJB formally considers FTF's Assurance Principles and adopts these for use across the governance groups of Dundee City IJB. These will provide the clarity around the use of assurance levels that are used by the NHS Tayside Clinical Governance Committee.

Assessment of Risk:

Moderate



Weaknesses in design or implementation of controls which contribute to risk mitigation.

Requires action to avoid exposure to moderate risks to achieving the objectives for area under review.

Management Response/Action:

Agreed – report to be taken to IJB October.

Action by:

Chief Officer

Date of expected completion:

October 2024

STAFF GOVERNANCE

Strategic Risks

- **Staff Resource** – the volume of staff resource required to develop effective integrated arrangements while continuing to undertake existing roles / responsibilities / workload of key individuals may impact on organisational priorities, operational delivery to support delivery of effective integrated services. The DCC recruitment restriction and internal DHSCP vacancy management process is restricting recruitment to posts - **(Current Score 25)**
- **Staff Resource (Archived May 2024)** - insufficient to address planned performance management improvements in addition to core reporting requirements and business critical work– **(Current Score: 20)**
- **Capacity of Leadership Team** – affected by changes such as retirement and transitions – **(Current Score: 16)**
- **Employment Terms** – differing terms could expose the partnership to equality claims and impact on staff morale – **(Current Score: 9)**

The 'Staff Resource' strategic risk is scored at the highest possible 25, remaining at this level throughout the year, reflecting the extreme pressures on workforce, both now and in future. There are separate risks for staff resource in relation to planned performance management improvements and leadership capacity.

Internal Audit D06-24 will comment on monitoring of implementation of the Dundee HSCP Workforce Plan and on its mitigation of the associated workforce risk.

In December 2023 the IJB received a paper reporting updates to the Workforce Plan reflecting what has changed over the last year in relation to the governance and strategic context for workforce planning, refreshed workforce data and intelligence, progress made against the action points identified in June 2022 from the Scottish Government, and refreshed priority actions for the coming year. Though the cover paper states that the annual update sets out 'progress made against the action points identified in June 2022...' it does not explicitly state what further detail or actions have been included to respond to Scottish Government feedback.

In June 2023 the IJB published their new 10-year strategic commissioning framework – the Plan for Excellence in Health & Social Care in Dundee. Workforce was one of six strategic priorities within it and workforce will be a significant element of the Resource Framework which is an outstanding requirement from when the SCF was approved.

The Integration Scheme specifies that 'the parties will agree and maintain appropriate procedures which meet the requirements of the National Whistleblowing Standards and ensures that all staff who work within a Health and Social Care Partnership (across NHS and local authorities) can raise any concerns through the associated procedures. This will also include a requirement to report all concerns to the IJB and NHS Board on a quarterly basis'.

At the time of writing, quarterly Whistleblowing reporting was planned, though such assurance has not yet been received by the IJB.

Work is ongoing to increase capacity and strengthen the management team. Temporary structures were put in place on an emergency basis during the Covid pandemic. In April 2023, the IJB was informed that '*to address ongoing challenges that structure needs to be adopted on a permanent basis to provide resilience*'.

At its meeting in November 2023, PAC members noted a number of outstanding actions on the Action Tracker had been delayed or de-prioritised as a result of staff capacity issues.

The Head of Finance and Strategic Services and the Service Manager, Strategic Services have developed a new structure alongside the team to provide the right capacity in the right place to meet current and future core needs, with no additional funding requirement.

The new structure was presented to the May 2024 PAC for noting. It is currently in the process of being implemented and recruitment to a range of new / reconfigured posts forms the next stage, which will take place over six months.

FINANCIAL GOVERNANCE

Strategic Risks

- **Restrictions on Public Sector Funding** - Continuing restrictions on public sector funding will impact on Local Authority and NHS budget settlements in the medium term impacting on the ability to provide sufficient funding required to support services delivered by the IJB. This could lead to the IJB failing to meet its aims within anticipated timescales as set out in its Strategic and Commissioning Plan - **(Current Score: 20)**
- **Unable to maintain IJB spend** - IJB is unable to maintain spend within allocated resources which could lead to being unable to deliver on the Strategic & Commissioning Plan - **(Current Score: 20)**
- **Lack of capital investment in community facilities – incl primary care** - Restrictions in access to capital funding from the statutory partner bodies and Scottish Government to invest in existing and potential new developments to enhance community based health and social care services. This could potentially be exacerbated by the transitional period until the establishment of a National Care Service due to the uncertainty of funding and ownership of assets by the local authority and Health Board - **(Current Score: 25)**
- **Cost of living crisis** - Cost of living and inflation will impact on both service users and staff, in addition to the economic consequences on availability of financial resources. This is likely to have a significant impact on population health and the challenge this will present to the IJB in delivering its strategic priorities - **(Current Score: 16)**
- **Viability of external providers** - Financial instability / potential collapse of key providers leading to difficulty in ensuring short / medium term service provision. Inability to source essential services / Financial expectations of third sector cannot be met / Increased cost of service provision /Additional burden on internal services /Quality of service reduces **(Current Score: 16)**
- **Impact of Covid 19 (Archived May 2024)**– Coronavirus related pressure on resources (financial / workforce) will have a 'tail', resulting in ongoing medium / longer term pressure on the HSCP and by association on the council/ NHS Tayside and patients, service users and carers - **(Current Score: 12)**

Financial Sustainability

Delivering DIJB's strategic and commissioning priorities within the budget and resources that it has available is a significant challenge. A five-year financial outlook 2023/28 presented to the June 2023 DIJB meeting set out an estimated cumulative funding gap of £35.8m. Whilst the 2023/24 budget contained a plan to close that year's £5.1m gap, it relied on reserves, vacancies and savings in supplies and transport, rather than substantial transformation and service redesign.

It is unlikely that DIJB will be able to close its underlying financial gap using operational efficiencies. The proposed Annual Delivery Plan and Resource Framework needs to include genuinely transformative initiatives as clear delineation of the IJBs absolute priorities as well as those areas which will not be a focus for scarce resources, and this will need to produce genuine, recurrent cash savings.

The need for consolidated Transformation Programme progress reports has been recognised for several years now and been the subject of previous internal audit recommendations, but, thus far, there has not been structured holistic monitoring of transformation through governance structures. When considering the proposed budget for 2024/25 in March 2024 the Board agreed to note that the transformation programme would be escalated over the course of this year.

Budget Setting 2023/24 and Financial Outlook

The budget for 2023/24 was considered by the IJB on 29 March 2023. At that time, NHS Tayside's financial plan had not been formally approved so figures were indicative. NHS Tayside had not provided a calculation for Large Hospital Set Aside (LHSA) for 2023/24 and this would need to be incorporated into the budget once confirmed.

The initial budget gap for 2023/24 was £5.1m. A range of proposals for savings were set out for review and approval. Recurring savings formed £1.437m (28%) of the total with the majority of non-recurring savings being the proposed use of up to £3m of brought forward reserves.

A five-year financial outlook was presented to the IJB in June 2023. This highlighted the framework to address financial pressures, the already-established transformation programmes, and the potential savings requirement of £36m over the five years.

The IJB received its first 2024/25 budget update on 13 December 2023, followed by another on 21 February 2024. On 27 March 2024 the proposed delegated budget proposed by Dundee City Council for 2024/25 was accepted by the IJB. The Chief Finance Officer was instructed to report back following receipt of formal notification from NHS Tayside of the proposed budget with associated recommendations.

The IJB's budget gap for 2024/25 is predicted to be £10.6m and the savings plan to balance the budget includes utilisation of £4m reserves. Whilst the IJB will have sufficient uncommitted reserves brought forward into 2024/25 (estimated at the time of writing to be approx. £10m) to adequately meet their reserves policy of retaining around 2% of budgeted resources, the use of reserves to balance budgets should be approached with great caution. The use of £4m reserves in 2024/25 it will reduce the general reserve to approx. £6.8m and within one year reserves will be at the minimum level. It is imperative that the transformation programmes deliver the recurring savings. The financial position of the IJB improved over prior years, mainly due to additional Scottish Government funding during the pandemic, effective future investment of these reserves is critical to the longer-term financial sustainability of health and social care services. Using reserves to balance operational, day-to-day costs may relieve the pressure short-term but is not a long-term, sustainable policy.

Financial Reporting

Regular budget monitoring reports setting out the most up-to-date position on savings, reserves, and the projected out-turn for the year are reported to the IJB.

The budget plan identified that up to £3m of reserves would be available to support the IJBs financial position. Due to a worsening financial position halfway through the year, where a net operational overspend of £6.6m was forecast, a financial recovery plan was to be developed and presented in February 2024 at the latest. However, the monitoring to December 2023 and February 2024 showed an improving projected financial position, and actions to minimise overall overspend, enhanced recruitment controls and monitoring of discretionary spend were, in effect, the financial recovery plan for the remainder of the financial year.

The latest reported position to February 2024, presented to the 17 April 2024 IJB, was a net projected full year operational overspend of £3.528. £3m reserves will be utilised, as planned, to mitigate this overspend. A further £1m reserve funding was set aside to support winter planning and pressures. Therefore, no additional drawdown from general reserves is currently anticipated.

The presentation of achievement of savings in the monitoring reports could be enhanced. There is no comparison of planned savings versus actual savings achieved so it is unclear whether the savings plan was successful. It is critical that the Board is able to gauge whether transformation schemes and savings plans have the required impact to achieving financial parity.

Financial Regulations

Internal Audit's Annual Report 2022/23 noted that financial regulations had been in place since 2016 with the Scheme of Delegation reviewed and approved in April 2019. We were informed by the Chief Finance Officer that a review and update were planned during 2023/24, following the revision of the Integration Scheme but this has not been actioned. We have been informed by the Chief Finance Officer that papers for this have been drafted for pre-agenda consideration for the June 2024 meeting of the IJB.

Governance Statement Checklist

The Chief Finance Officer has completed a checklist developed by CIPFA to demonstrate compliance with their Financial Management Code which concluded that there had been compliance with all relevant standards. Additionally, a Statement on the Role of the Chief Finance Officer checklist was completed, and all relevant requirements had been met.

Action Point Reference 10 – Financial Monitoring and Reporting

Finding:

Projected financial results are presented net of any planned use of reserves but reports do not inform the Board if the reserves have been utilised in line with the plan i.e. were the reserves used by the services for whom it was planned, or has there been an unexpected deficit in an area where it was not planned

There is no information presented to show actual savings made compared to planned.

Audit Recommendation:

Financial monitoring data should be enhanced to allow the Board to gauge progress against the budget especially in areas where brought forward reserves are being used to balance a budget and in savings targets.

Financial reports should show actual savings assessed against planned savings. Savings should be categorised as recurring or non-recurring.

Assessment of Risk:

Moderate



Weaknesses in design or implementation of controls which contribute to risk mitigation.

Requires action to avoid exposure to moderate risks to achieving the objectives for area under review.

Management Response/Action:

Complications around integrated nature of budget with some savings being more difficult to track to exact pound of delivery; will look to enhance monitoring during 24/25 where appropriate; added complexities surrounding utilisation of in-year reserves for financial monitoring purposes as statutory accounting treatment dictates this is actioned at year-end.

Action by:

Date of expected completion:

Chief Finance Officer

October 2025

INFORMATION GOVERNANCE**Strategic Risks**

- **Data Quality – quality of information on Mosaic case recording system is not accurate leading to difficulties in providing statutory government returns and accurate billing for billable services delivered – (Current score: 16)**

The revised Integration Scheme, section 11, covers information sharing and data handling.

A draft Information Sharing Memorandum of Understanding between DIJB, NHS Tayside and Dundee City Council and dated December 2019 was provided to Internal Audit. We have been informed that this will be revisited to ensure it is finalised and agreed / signed by all parties. The Dundee HSCP Lead Officer attends Information Governance forums at NHS Tayside and Dundee City Council and GDPR is a focus in these meetings.

We have previously commented that the IJB should receive assurance that its strategies and statutory responsibilities are supported by the asset and IT strategies and information governance arrangements of its partners and that these are appropriately prioritised, resourced and monitored, as an important enabler for the delivery of genuine transformation and the revised approach to the delivery of services required following Covid19. This action remains outstanding and we note that the IJB does recognise its increasing importance and is taking steps to improve the situation. The resource framework to be developed to support the new Strategic Commissioning Framework will include digital resources.

The January 2024 PAC noted that a new risk is being considered around Information Governance relating to capacity challenges within Dundee HSCP to appropriately process complex Subject Access Requests given the increase in demand for such.

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Section 2

Ongoing and Required Developments

Source	Recommendation	Assessment of Risk	Description	Original target date	Current Status	Conclusion
D03/22 Annual Report 2020/21	3	Moderate	<p>Review of standing orders including remit of PAC to refer to their receiving assurances from the Clinical & Care Governance Group. Workplan for the PAC should set out how all areas of their work will be completed with clear links to assurance flows</p> <p>Financial regulations to be reviewed separately</p>	<p>Oct 2021 (Fin Regs)</p> <p>March 2022 (S/O)</p>	<p>2022/23 Standing Orders reviewed June 22 with no amendments. PAC remit does not refer to C&CG Review of financial regulation planned for 23/24</p> <p>2023/24 The Standing Orders were reviewed in Dec 2023 with an update to the ToR of the PAC. This does now explicitly reference the PACs role to “receive assurances in relation to Clinical Care & Professional Governance through the consideration of a report presented to each meeting of the PAC by the Clinical Director” Financial regulations have not yet been reviewed.</p>	<p>Partially complete – workplan still o/s</p> <p>Ongoing</p>
D03/22 Annual Report 2020/21	4	Significant	<p>Adopt pan-Tayside solutions to LHSA, corporate support and hosted services</p>	March 2022	<p>2022/23 IS reviewed and updated; discussions have taken place in relation to lead partner (previously hosted) arrangements including governance and reporting. LHSA unlikely to make progress with National Care Service arrangements being developed. Partner bodies have</p>	Ongoing

Section 2

Ongoing and Required Developments

					not been prescriptive around corporate support arrangements	
					2023/24 No further progress	
D03/22 Annual Report 2020/21	6	Moderate	IJB Assurance Plan, including assurances required to be provided by partners	December 2021	2022/23 Due to resourcing capacity the IJB has been unable to progress the connection between risk and performance and ultimately an overarching IJB assurance report. The IJB continues to receive assurance in many ways from partners but arrangements will be progressed during 2023/24 to further request assurances from partner bodies following clarification of responsibilities reflected in the updated Integration Scheme. 2023/24 No further developments; this was unable to be progressed during 2023/24 as planned	Ongoing
D03/23 Annual Report 2021/22	1	Significant	MSG Action progress. IJB, directly or through PAC, to receive a progress update on areas of integration concern e.g. LHSA, corporate support, hosted services. Identification of what is required to ensure agreed actions are implemented and the	December 2022	2022/23 No further developments. The IJB have concerns that, as Scottish Government continues to develop arrangements for a National Care Service, partners will not see a reason to take these forward resulting in an impasse until the NCS is implemented	

Section 2

Ongoing and Required Developments

			consequences of non-delivery.		2023/24 No further developments	Ongoing – underlying weaknesses remain
D03/23 Annual Report 2021/22	2	Significant	Consideration of how the IJB receives assurances and monitors progress against actions in the Strategic Commissioning Plan.	December 2022	<p>2022/23 Following the approval of the new Strategic Commissioning Plan which reflects the IJBs high level priorities, a delivery plan will be published. This will, in effect, be the HSCP's response to how the priorities will be delivered within front line services. The reporting of the delivery of this plan alongside the wider performance indicators will provide the necessary assurances to the IJB that priorities are being delivered</p> <p>2023/24 The new Strategic Commissioning Plan was published in summer 2023 and was to be accompanied by a Resource & Performance Framework and an Annual Delivery Plan. This was , in effect, to be the HSCP's response to how the priorities will be delivered within frontline services. The reporting of the delivery of the plan, alongside wider performance indicators, would provide the necessary assurances to the IJB that priorities are being delivered. This has not been actioned in-year.</p>	Ongoing

Section 2

Ongoing and Required Developments

D03/23 Annual Report 2021/22	3	Moderate	PAC to provide a year-end report to the IJB with a conclusion on whether it has fulfilled its remit and its view on the adequacy and effectiveness of matters under its purview.	February 2023	<p>2022/23 Still to be taken forward. The aim is for a summary overview to be provided to the August 2023 IJB.</p> <p>2023/24 The PAC did provide a year-end report to the IJB in August 2023. However, as detailed in the body of this report it took the form of a summary of work undertaken by the committee and did not explicitly come to a conclusion as to whether it had fulfilled its remit.</p>	Ongoing
D03/23 Annual Report 2021/22	4	Significant	The IJB to receive relevant, reliable, and sufficient assurances against its strategic risks especially high scoring ones (risk appetite still to be established) either through adapting existing reporting processes or through specific deep dive assurance report. Some assurances may have to come from other organisations e.g. partner bodies.	December 2022	<p>2022/23 To be adopted through assessing against planned substantive service specific reports to be taken to IJB during the year. Ensure a high quality risk assurance statement included as standard in reporting. Due to service capacity unable to take this recommendation forward as planned. Will be picked up during 2023/24.</p> <p>2023/24 The service capacity issues did not ease during 2023/24 and this continues to be an ongoing action</p>	Ongoing
D03/23 Annual Report	5	Moderate	Consideration as to how clinical and care governance arrangements	December 2022	<p>2022/23 Issues of clinical and care governance were to be</p>	Ongoing

Section 2

Ongoing and Required Developments

2021/22			feed into the formation of IJB directions		considered where relevant in the issuing of Directions. A new Directions Policy was presented at the April 2023 meeting. The policy makes no reference to clinical and care governance. 2023/24 No further movement on this action	
D03/23 Annual Report 2021/22	6	Significant	Detailed monitoring of savings initiatives	As required	2022/23 2022/23 budget was balanced without the need for savings but a savings plan has been agreed for 2023/24. Financial monitoring arrangements this year will include savings monitoring. 2023/24 Reports did not include specific monitoring of savings initiatives and this has been covered within our report	Ongoing
D03/23 Annual Report 2021/22	7	Merits Attention	Reporting of progress in delivering the Risk Management Action Plan should set out progress against individual actions to allow for clear monitoring of maturity assessment	November 2022	2022/23 Following the Internal Audit Review of the Governance Action Plan this will be reconsidered alongside the consolidation and reporting of other reviews. 2023/24 At the time of our Annual Report in June 2023 we reported that, following the Internal Audit Review of the Governance Action	Ongoing

Section 2

Ongoing and Required Developments

					Plan, this would be reconsidered alongside the consolidation and reporting of other reviews. Since this work has not yet been finalised, this action is considered ongoing.	
D03/23 Annual Report 2021/22	8	Merits Attention	Dundee HSCP annual report should reference relevant strategic risk, or areas for development, key concerns and priorities for the coming year	June 2023	<p>2022/23 The current draft will be reviewed for the June 2023 IJB</p> <p>2023/24 Dundee HSCP Annual Report was presented to the IJB in June 2023. The Report format had been expanded from the previous year to include information on strategic risks with key priorities for future periods. This action has been completed on time.</p>	Complete
D03/23 Annual Report 2021/22	9	Merits Attention	Output from internal monitoring and quality assurance process for care services should be overtly included within CCPG reports and their quality assessed through triangulation with results of external inspections.	Ongoing	<p>2022/23 No further developments this year; arrangements in place are still deemed to be as effective as they can be. Further investment has been made by the Scottish Government to Health Boards through additional assurance responsibilities to the Executive Directors of Nursing to support care home oversight which will provide additional support and guidance to the care home sector.</p>	

Section 2

Ongoing and Required Developments

<p>D03/24 Annual Report 2022/23</p>	<p>1</p>	<p>Significant</p>	<p>Monitoring of the implementation of the Strategic Commissioning Framework and of the development and implementation of the supporting Annual Delivery Plan, Resource Framework, Workforce Plan and Performance Framework is fundamental. Financial monitoring reports to clearly link to the Strategy Delivery Plan and Resource Framework</p>	<p>December 2023</p>	<p>2023/24 A first year Annual Delivery Plan was not produced and there has been no further update on the Resource and Performance Frameworks. Updates have not been given to the Board.</p>	<p>Ongoing</p>
<p>D03/24 Annual Report 2022/23</p>	<p>2</p>	<p>Moderate</p>	<p>Consider how IJB members can be involved in the development and agreement of the organisation's risk profile. IJB to clearly set out how risk appetite is considered as part of decision making, how risk appetite affects monitoring and escalation process for individual risk and to ensure risk appetite is reflected in target risk scores and how the IJB will understand if the target is being achieved.</p>	<p>December 2023 and April 2024</p>	<p>2023/24 At the time of our Annual Report in June 2023 a detailed report on progress was to be provided to the PAC by Dec 2023 and the 2023/24 Risk Management Annual Report would provide further assurance on the effectiveness of these developments. A risk appetite session with IJB members was held in August 2023 and a feedback questionnaire was being developed to identify risk categories, appropriate risk appetite and target scores. Following this, inherent risks and target risk scores were to be revised. Unfortunately this has</p>	<p>Ongoing</p>





Section 2

Ongoing and Required Developments

					not progressed further at this time and therefore the action is ongoing	
D03/24 Annual Report 2022/23	3	Significant	PAC Annual Report should clearly highlight lack of progress in implementing agreed governance improvements and their impact on governance arrangements. Focus on prioritising outstanding actions with clearly identified solutions to overcome barriers to progressing outstanding actions	August and September 2023	2023/24 The PAC's first Annual Report (2022/23) was considered by the IJB in August 2023. This did include a paragraph drawing the Board's attention to our Annual Report 2022/23 and the issues around the number of outstanding actions. The work being undertaken to streamline the outstanding actions with the Governance Action Plan should assist in focusing attention on the intransigent issues that must be overcome. This action is therefore incomplete at this stage.	Ongoing

Assessment of Risk

To assist management in assessing each audit finding and recommendation, we have assessed the risk of each of the weaknesses identified and categorised each finding according to the following criteria:

Risk Assessment		Definition	Total
Fundamental		Non-Compliance with key controls or evidence of material loss or error. Action is imperative to ensure that the objectives for the area under review are met.	None
Significant		Weaknesses in design or implementation of key controls i.e. those which individually reduce the risk scores. Requires action to avoid exposure to significant risks in achieving the objectives for area under review.	Three
Moderate		Weaknesses in design or implementation of controls which contribute to risk mitigation. Requires action to avoid exposure to moderate risks to achieving the objectives for area under review.	Four
Merits attention		There are generally areas of good practice. Action may be advised to enhance control or improve operational efficiency.	Three