



REPORT TO: PERFORMANCE AND AUDIT COMMITTEE – 12 FEBRUARY 2019
REPORT ON: 2017/18 ANNUAL INTERNAL AUDIT REPORT – ACTION PLAN UPDATE
REPORT BY: CHIEF FINANCE OFFICER
REPORT NO: PAC7-2019

1.0 PURPOSE OF REPORT

The purpose of this report is to provide the Performance and Audit Committee with an update in relation to the agreed actions to deliver areas for improvement arising from the 2017/18 Annual Internal Audit Report.

2.0 RECOMMENDATIONS

It is recommended that the Performance and Audit Committee (PAC):

- 2.1 Notes the progress of the action plan developed to respond to the range of areas for improvement contained within the Integration Joint Board's 2017/18 Annual Internal Audit Plan as set out in Appendix 1.
- 2.2 Remits the Chief Finance Officer to report back to the PAC by June 2019 outlining the status of the outstanding actions.

3.0 FINANCIAL IMPLICATIONS

None.

4.0 MAIN TEXT

- 4.1 Dundee Integration Joint Board's Annual Internal Audit Report was presented to the Performance and Audit Committee at its meeting on the 31 July 2018 (Article XI of the minute of the meeting of 31 July 2018 refers). This report noted that the Chief Internal Auditor's assessment of the IJB's governance, risk management and control frameworks as they had developed during 2017/18 had established no major issues and that the IJB had adequate and effective internal controls in place proportionate to its responsibilities in 2017/18. The report noted a number of areas of planned improvements for 2017/18 alongside a range of recommended further issues for consideration by management. The Internal Audit report recommended the development of an action plan to ensure these and other developing governance issues are managed effectively. This action plan was presented and approved at the Performance and Audit Committee's meeting of the 25 September 2018 (Article XII of the minute of the meeting of 25 September 2018 refers).
- 4.2 The Chief Finance Officer was remitted to provide a progress report on the actions identified back to the PAC prior to the 31 March 2019. This progress is outlined at Appendix 1.
- 4.3 While some progress has been made with a number of recommendations it is recognised that resource issues have had an impact on the pace of developments. Timelines for completion have been amended accordingly and will be monitored closely by the Chief Finance Officer with a further update report to be presented to the PAC by June 2019.

5.0 POLICY IMPLICATIONS

This report has been screened for any policy implications in respect of Equality Impact Assessment and Risk Management. There are no major issues.

6.0 RISK ASSESSMENT

Risk 1 Description	There is a risk that should insufficient progress be made in strengthening the areas of improvement, the Chief Internal Auditor's 2018/19 report may find the IJB's governance and controls to be less than effective.
Risk Category	Governance
Inherent Risk Level	Likelihood 3 x Impact 3 = 9 (High)
Mitigating Actions (including timescales and resources)	Progressing the actions outlined in the action plan within the timescales set out in this report
Residual Risk Level	Likelihood 2 x Impact 4 = 8 (High)
Planned Risk Level	Likelihood 2 x Impact 3 = 6 (Moderate)
Approval recommendation	In order to ensure the planned level of risk is achieved, it is recommended that the PAC approved this report.

7.0 CONSULTATIONS

The Chief Officer, Chief Internal Auditor and the Clerk were consulted in the preparation of this report.

8.0 BACKGROUND PAPERS

None.

Dave Berry
Chief Finance Officer

DATE: 4 February 2019

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Appendix 1

Area for Improvement	Lead Officer	To Be Reported To	Planned Action	Original Planned Completion Date	Current Status	Comments	Revised Completion Date
Clarification of deputising arrangements for the Chief Officer to be presented to the IJB	Chief Officer	IJB	Agreement to be reached between Chief Executives of Dundee City Council and NHS Tayside	December 2018	In Progress	Chief Officer taking forward with respective Chief Executives	February 2019
Consideration should be given to providing the IJB with reporting on workforce issues including the Workforce and Organisational Development Strategy as well as the partnership forum	Chief Officer / Chief Finance Officer	IJB	Complete review of Workforce and Organisational Development Strategy and provide update to IJB. Consider frequency and content of update report of activities of Staff Partnership Forum	December 2018	In Progress	Integrated Workforce and Organisational Development Strategy to be presented to the April 2019 IJB meeting	April 2019
Developments in relation to clinical and care governance should take into account the Social Work Scotland guidance document on Governance for quality social care in Scotland.	Head of Health and Community Care	Clinical and Care Governance Group	To be tabled as agenda item for Clinical and Care Governance Group for progressing	December 2018	In Progress		March 2019

Area for Improvement	Lead Officer	To Be Reported To	Planned Action	Original Planned Completion Date	Current Status	Comments	Revised Completion Date
Consideration should be given to arrangements required by the IJB to comply with Freedom of Information and Public Records legislation	Chief Finance Officer / Clerk to the Board	IJB	Review current arrangements in place across the IJB/NHS Tayside and Dundee City Council to determine if they are effective in meeting the IJB's statutory requirements	December 2018	In Progress	Report clarifying arrangements around FOI to be presented to the April IJB meeting	April 2019
Development of Large Hospital Set Aside arrangements in conjunction with the Scottish Government, NHS Tayside and Angus and Perth and Kinross Integration Joint Boards	Chief Officer / Chief Finance Officer	IJB	Work progressing with NHS Tayside in association with the 3 Tayside IJB Chief Finance Officers and Scottish Government to conclude the methodology or determining and monitoring the Large Hospital Set Aside to inform commissioning decisions as set out within the legislation	December 2018	In Progress	The Scottish Government has re-affirmed the necessity of progressing Large Hospital Set Aside arrangements as a key element of budget discussions.	March 2019

Area for Improvement	Lead Officer	To Be Reported To	Planned Action	Original Planned Completion Date	Current Status	Comments	Revised Completion Date
Implementation of an action points update to each meeting of the IJB and PAC in addition to an annual workplan to be agreed for both meetings	Chief Officer / Chief Finance Officer	IJB/PAC	To be developed as suggested and implemented with effect from the October 2018 IJB meeting	October 2018	In Progress	DCC Committee Services support for all DCC and associated services currently under review which includes recording of actions	April 2019
Development of improved Hosted Services arrangements around risk and performance management for hosted services	Chief Officer / Chief Finance Officer	IJB	Current hosted services arrangements subject to discussion across the 3 Tayside Chief Officers and Chief Finance Officers. Proposal to be brought forward to IJB and PAC before the end of the financial year	March 2019	In Progress	Discussions continue across Tayside Chief Officers/Chief Finance Officers around enhancing arrangements for hosted services	June 2019
Development of an overall Governance Action Plan to progress previous recommended areas for improvement	Chief Finance Officer	PAC	To be developed as suggested	November 2018	In Progress	Report and Action Plan to be presented to March PAC meeting	March 2019

Area for Improvement	Lead Officer	To Be Reported To	Planned Action	Original Planned Completion Date	Current Status	Comments	Revised Completion Date
Development of regular IJB and PAC member induction and development process	Chief Officer / Chief Finance Officer	IJB/PAC	To be developed as suggested	December 2018	Not Initiated	PAC members development session held in November. To be taken forward with organisational development from partner bodies	June 2019
Further develop the Integration Joint Board's local Code of Governance	Chief Officer / Chief Finance Officer / Clerk to the Board	IJB	To be developed as suggested	December 2018	In Progress	Clerk to the Board developing arrangements in conjunction with Chief Finance Officer	April 2019
Present the governance principles adopted by the Health and Social Care Integration Governance Working Group to the PAC to be taken forward by all parties (* reflects partial development from 2016/17)	Chief Finance Officer	IJB	To be presented to the November PAC meeting	November 2018	In Progress	To be presented to the February 2019 IJB meeting	February 2019

Area for Improvement	Lead Officer	To Be Reported To	Planned Action	Original Planned Completion Date	Current Status	Comments	Revised Completion Date
Development of multi-year financial plan as part of the review of the Strategic and Commissioning Plan	Chief Finance Officer	IJB	Development of multi-year financial plan to be part of the budget setting process for 2019/20 and beyond which will reflect and be incorporated into the revised Strategic and Commissioning Plan	March 2019	In Progress	Will be incorporated within the review of the Strategic Plan and the IJB's budget setting report to be presented to the March 2019 IJB meeting	March 2019
Update the Integration Joint Board's Participation and Engagement Strategy	Chief Officer / Chief Finance Officer	IJB	To be taken forward by the Communication and Engagement Group as part of the review of the Strategic and Commissioning Plan	December 2018	In Progress	Delivering the Strategic Plan is the priority with the Communication and Engagement Strategy a key companion document to the plan – this will be presented to the June IJB meeting.	June 2019
Develop Scheme of further delegation in relation to delegated services to the Integration Joint Board*	Chief Officer / Chief Finance Officer / Clerk to the Board	IJB	To be developed as suggested	December 2018	In Progress	Standing Orders reviewed and presented to December 2018 IJB. Scheme of delegation to be reviewed following this	April 2019

Area for Improvement	Lead Officer	To Be Reported To	Planned Action	Original Planned Completion Date	Current Status	Comments	Revised Completion Date
Clarify responsibilities and accountabilities around the impact of General Data Protection Regulations (GDPR) legislation with partner bodies	Chief Finance Officer	IJB	Update report to be presented to the October IJB meeting	October 2018	Complete	Report presented as planned	n/a
Update and enhance the IJB's Risk Management Strategy and further develop the IJB's operational risk register	Chief Finance Officer	PAC / IJB	To be developed as suggested. Recommendations of the Internal Audit review of Risk Management to be considered and changes made accordingly	March 2019	In Progress	Risk Management action update report presented to February PAC meeting (Report PAC8-2019)	Various – see action plan as part of Report PAC8-2018
Further develop performance report information into a delivery plan framework to ensure IJB fulfils its remit in delivering the direction of travel within the Strategic Commissioning Plan	Chief Officer / Chief Finance Officer	PAC	To be taken forward by the Strategy and Performance Team, aligned with the review of the Strategic and Commissioning Plan.	March 2019	In Progress	Will form part of revised performance monitoring reporting into 2019/20 following approval of revised Strategic and Commissioning Plan	July 2019