

**North Ayrshire Health and Social Care Partnership
Performance and Audit Committee**

**Thursday 27 June 2019 at 10.15 a.m.
Council Chambers, Cunninghame House, Irvine**

Present

John Rainey, NHS Ayrshire and Arran (Chair)
Councillor Timothy Billings, North Ayrshire Council (Vice-Chair)
David Donaghey, Staff Representative, NHS Ayrshire and Arran

In Attendance

Stephen Brown, Director of the North Ayrshire Social Care Partnership
Caroline Whyte, Head of Finance (HSCP)
Paul Doak, IJB Chief Internal Auditor
Eleanor Currie, Principal Manager - Finance
Neil McLaughlin, Manager (Performance and Information Systems), NAHSCP
Diane McCaw, Committee Services Officer, NAC

Apologies for Absence

Jean Ford, NHS Ayrshire and Arran
Louise McDaid, Staff Representative, North Ayrshire
Marie McWaters, Carers Representative

1.	Apologies	
	The Committee noted apologies from Jean Ford, Louise McDaid and Marie McWaters.	
2.	Declarations of Interest	
	There were no declarations of interest in terms of Standing Order 7.2 and Section 5.14 of the Code of Conduct for Members of Devolved Public Bodies.	
3.	Minutes/Action Note	
	The accuracy of the Minutes of the meeting held on 8 March 2019 were confirmed and the Minutes signed in accordance with Paragraph 7(a) of Schedule 7 of the Local Government (Scotland) Act 1973.	

4.	Q4 2018-19 IJB PAC Report	
	<p>Submitted report by the Performance and Information Systems Manager on the performance of the North Ayrshire Health and Social Care Partnership during Quarter 4 of 2018-19. The full revised format report was detailed in the Appendix to the report.</p> <p>Members were advised that the new format report would enable more focus on specific measures and detailed analysis as required.</p> <p>Discussion took place on the content and revised format of the report and on the targets for each service with a number of points raised around the following:-</p> <ul style="list-style-type: none"> • that the addition of a table at the beginning of the report in relation to the status reference content and summary points would be helpful for future reports; • nationally set targets and variances in connection with immunisation figures; • that future reports should reference the figure for the quarter within the current status column; • the difference between the first and last quarters in relation to delayed discharges and on whether there is a specific timeframe for reduction of this difference; • that work is ongoing to ensure that recoding is accurate in terms of delayed discharge figures and that future figures will be broken down to allow targeting of real blockages; • the expectation that any progress will link through to audit reports for future meetings; and • criticism around the practice of self-directed care and issues around expectations and funding. <p>The Committee agreed to approve the content of the full report.</p>	<p>Neil McLaughlin</p> <p>Neil McLaughlin</p>
5.	2018-19 Draft Annual Performance Report	
	<p>Submitted report by the Performance and Information Systems Manager detailing the draft annual performance for 2018-19.</p> <p>The report detailed highlights from 2018/19 on continued progress with service users receiving and maintaining high grades via the Care Inspectorate, including the Care at Home and Community Alert services. The Justice Service, Welfare Rights and Money Matters Teams continue to provide exemplary support to vulnerable people.</p> <p>Members discussed the report and future reporting practices which should more clearly reflect positive and negative aspects and experiences.</p> <p>Noted.</p>	

6.	Unaudited Annual Accounts – 2018-19	
	<p>Submitted report by the Chief Finance and Transformation Officer, on the North Ayrshire IJB Unaudited Annual Accounts for 2018-19 which require to be submitted to External Audit and published by 30 June 2019. The full Unaudited Accounts were detailed within Appendix 1 to the report.</p> <p>The Committee agreed to approve (a) the Unaudited Annual Accounts for the period 31 March 2019; (b) the Annual Governance Statement for 2018-19 contained within the Unaudited Annual Accounts; and (c) submission of the Unaudited Accounts to Deloitte for formal audit.</p>	Caroline Whyte
7.	Internal Audit Annual Report 2018/19	
	<p>Submitted annual report by the IJB Chief Internal Auditor on the work of Internal Audit during 2018/19 for the NAIJB and providing an opinion on the governance, risk and internal control environment of the IJB.</p> <p>The Chief Internal Auditor advised the Committee that the papers within pages 157-181 were a duplication and did not relate to this report.</p> <p>Members were advised that each audit gives a level of assurance which can be substantial, reasonable, limited or none and commented on the lead partnership responsibility disaggregation for AHPs and devolving of the budgets and that not all AHP services are completely devolved.</p> <p>Noted.</p>	
8.	Internal Audit Reports Issued	
	<p>Submitted report by the IJB Chief Internal Auditor on the findings of relevant Internal Audit work. Appendix 1 to the report detailed the full audit report from the review of Lead Partnership arrangements in North Ayrshire with Appendix 2 detailing the full report from the parallel review of Lead Partnership arrangements from the NHS perspective. Appendix 3 contained the executive summary and action plan from a review of the financial governance of the North Ayrshire Alcohol and Drugs Partnership (ADP).</p> <p>The Team Manager - Internal Audit provided details of the three audits which have been carried out and summarised the findings as follows:-</p> <p>1. Lead Partnership Arrangements in North Ayrshire – was on IJB Audit Plan for 18/19</p> <p>Generated four high and one medium priority actions. The high priority actions were around consistency in completing Directions, progression of risk sharing arrangements with Deloitte and that the Integration Scheme does not give clear guidance regarding all aspects of lead partnership arrangements.</p>	

	<p>2. Lead Partnership Arrangements NHS Perspective – parallel review by NHS Generated medium and two low priority actions. The medium priority actions were around improvement in the use of Directions, sharing of risks, joint working between Finance Leads, Fair Share charging methodology and financial monitoring reports. Members were advised that the audit was carried out in conjunction with East Ayrshire Council but that South Ayrshire did not contribute.</p> <p>3. North Ayrshire Alcohol and Drugs Partnership (ADP) Generated six high priority actions. The high priority actions were around ensuring invoices for processing are fully detailed, strengthening of financial monitoring controls/checks and disclosure of declarations of interest which could result in conflicts of interest. Members were advised that since the audit was carried out, improvements had already been made to processes and in relation to declarations of interest.</p> <p>Members asked questions and were provided with further information in relation to:-</p> <ul style="list-style-type: none"> • recirculation of the declaration of interest form to all IJB and PAC members; • lessons to be learned with regard to declarations of interest; • any possibility of replication of non-declaration of interest within other services; and • the possibility of a report to IJB on the key themes, commitments and expectations in relation to the Lead Partnership arrangements in North Ayrshire. <p>Noted.</p>	<p>Paul Doak</p>
<p>9.</p>	<p>Internal Audit Plan 2019/2)</p>	
	<p>Submitted report by the IJB Chief Internal Auditor on the approved audit plans for North Ayrshire Council and NHS Ayrshire and Arran and the proposed audit work for the North Ayrshire Integration Joint Board. Appendix 1 to the report detailed the proposed audit work within the NAIJB. Appendices 2 and 3 detailed the 2019/20 Internal Audit Plans for North Ayrshire and NHS Ayrshire and Arran respectively.</p> <p>Members were advised on the allocated number of days for IJB audit purposes and on the suggested audit in relation to Performance Management Arrangements of the IJB.</p> <p>The Committee agreed to approve the proposed audit work within the NAIJB as detailed in Appendix 1 to the report.</p>	

10.	Risk Management Strategy	
	<p>Submitted report by the Principal Manager - Finance on the updated partnership Risk Management Strategy which was detailed in full within Appendix 1 to the report.</p> <p>The Committee agreed to (a) approve the Risk Management Strategy as detailed in Appendix1 to the report; (b) note the further work required with Members of the IJB to allow the preparation of a risk appetite statement as required by the Risk Management Strategy; and (c) that an update report will be provided to a future meeting of the PAC.</p>	Eleanor Currie
11.	HSCP Financial Management Improvements	
	<p>Submitted report by the Principal Manager – Finance on the issues in relation to the unexpected year-end movements in the 2018-19 financial outturn and the wider financial management issues and associated improvements. Appendix A to the report detailed an action plan to ensure the future accuracy of projections.</p> <p>Members asked questions and were provided with further information in relation to:-</p> <ul style="list-style-type: none"> • the importance of control over processes within services to allow for change; and • that significant improvements have already been made to date. <p>The Committee noted (i) the terms of the report and (ii) that a progress report in terms of the Action Plan would be submitted to a future meeting of the PAC.</p>	Eleanor Currie
12.	Quarterly MSG Finance Return – Q3 2018-19	
	<p>Submitted report by the Chief Financial and Transformation Officer on the financial performance for Integration Authorities for quarter 3 of the financial year 2018/19 which give a flavour of where partnerships across Scotland are in terms of overall outturn position and highlight how overspends will be addressed.</p> <p>The Chief Financial and Transformation Officer advised that the year end position will be circulated to PAC Members when this becomes available next week.</p>	Caroline Whyte

	<p>Members asked questions and were provided with further information in relation to:-</p> <ul style="list-style-type: none"> • unallocated and earmarked funding reserves; • delegated funding provided by North Ayrshire Council and how this is classified; and • differences in the levels of reserves of other IJBs; <p>Noted.</p>	
13.	Date of Next Meeting	
	<p>The next meeting of the Integration Joint Board Performance and Audit Committee will be held on 5 September 2019.</p> <p>The Committee agreed that the Committee Services Officer circulate this date to PAC Members.</p>	Euan Gray
	The meeting ended at 11.25 a.m.	