



**Stephen Brown (Chief Officer)**  
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Agenda Item: 6.

## **IJB Performance and Audit Committee**

Wednesday, 22 March 2023, 09:40.

Council Chamber, Council Offices, School Place, Kirkwall.

### **Minute**

#### **Present**

- Sharon-Ann Paget, Interim Chief Social Work Officer, Orkney Islands Council.
- Councillor Jean E Stevenson, Orkney Islands Council.
- Councillor Ivan A Taylor, Orkney Islands Council.

#### **Present via remote link (Microsoft Teams)**

- Davie Campbell, Non-Executive Director, NHS Orkney.

#### **Clerk**

- Sandra Craigie, Committees Officer, Orkney Islands Council.

#### **In Attendance**

##### **Orkney Health and Social Care Partnership:**

- Stephen Brown, Chief Officer.
- Lynda Bradford, Head of Health and Community Care.
- Maureen Swannie, Interim Head of Children, Families and Justice Services.

##### **Orkney Islands Council:**

- Andrew Paterson, Chief Internal Auditor.
- Veer Bansal, Solicitor.
- Georgette Herd, Solicitor.

## **In Attendance via remote link (Microsoft Teams)**

- David Eardley, Director of Audit and Assurance, Azets.
- Maureen Firth, Head of Primary Care Services, Orkney Health and Social Care Partnership (for Items 9 to 11).
- Michael Wilkie, Director, Public Sector Audit, KPMG LLP.

## **Chair**

- Councillor Ivan A Taylor, Orkney Islands Council.

### **1. Welcome and Apologies**

The Chair welcomed everyone to the meeting and advised that the delay in starting the meeting was due to ensuring sufficient members were in attendance for the meeting to be quorate.

Apologies for absence had been intimated on behalf of Meghan McEwen, Non-Executive Director, NHS Orkney, and Frances Troup, Head of Community Learning, Leisure and Housing, Orkney Islands Council.

### **2. Declarations of Interest**

There were no declarations of interest intimated in respect of items of business to be discussed at this meeting.

### **3. Minutes of Previous Meeting**

There had been previously circulated the draft Minute of the Meeting of the Performance and Audit Committee held on 7 December 2022 for consideration, checking for accuracy and approval.

The minute was **approved** as a true record, on the motion of Davie Campbell, seconded by Councillor Ivan A Taylor.

### **4. Matters Arising**

There had been previously circulated the Matters Arising Log from the meeting held on 7 December 2022, for consideration and to enable the Committee to seek assurance on progress, actions due and to consider corrective action, where required.

Stephen Brown updated members regarding Adoption Allowances and Kinship Payment and confirmed:

- That benchmarking had been made against other local authorities and a paper was due to be presented to the Policy and Resources Committee to be held on 18 April 2023.
- That the Internal Audit Annual Report and Opinion was due to be presented to the Performance and Audit Committee on 28 June 2023.
- That all other matters arising were on track.

## 5. Internal Audit Strategy and Plan

There had been previously circulated a report presenting the Internal Audit Strategy and Plan, for approval.

Andrew Paterson advised that the Integrated Resources Advisory Group Finance Guidance recommended that Integrated Joint Boards should establish adequate and proportional internal audit arrangements and that the Chief Internal Auditor should develop a risk-based internal audit plan. This requirement was also in compliance with the Public Sector Internal Audit Standards. The Standards also required that the audit plan must incorporate or be linked to a strategic or high-level statement of how the Internal Audit Service would be developed and delivered in accordance with the Internal Audit Charter and how it linked to the organisational objectives and priorities.

He further advised that previously the Audit Plan had been prepared on an annual basis, but a more strategic approach had been taken this year and a three-year plan was being presented, which would be reviewed annually and adjusted as necessary in response to changes to the risk profile.

The audit plan had been prepared following a comprehensive risk-based planning process which included:

- Reviewing risk registers.
- Reviewing strategic and operational plans.
- Reviewing previous internal and external audit reports to identify areas of concern.
- Consultation with the Chief Officer, the Chair of the Performance and Audit Committee and the Chair of NHS Orkney's Finance and Performance Committee to identify areas of concern.

He referred members to page 3 of the Internal Audit Plan which detailed the proposed auditable areas for the next three years, highlighting the following for 2023/24:

- Internal Communication and Engagement.
- External Communication and Engagement.

The Chair commented that presenting the Audit Plan as a three-year plan was a very positive move.

The Performance and Audit Committee thereafter noted:

**5.1.** That a comprehensive audit planning process had been undertaken by the Chief Internal Auditor.

The Performance and Audit Committee **resolved**:

**5.2.** That the Internal Audit Strategy and Plan, attached as Appendix 1 to the report by the Chief Internal Auditor, be approved.

## 6. OHAC Contract Managed Services

There had been previously circulated a report presenting Orkney Islands Council's Internal Audit of OHAC Contract Managed Services, for noting.

Andrew Paterson advised members:

- That this audit had been completed for Orkney Islands Council and presented to the Monitoring and Audit Committee on 9 February 2023.
- That there was an internal audit reporting protocol in place which enabled sharing of audit findings between the IJB, NHS Orkney and Orkney Islands Council where the findings had a wider relevance beyond the organisation that had commissioned the original audit.
- That good contract management ensured that risk was reduced, savings and quality of service were maximised, and all parties involved in the contract fully understood their obligations and responsibilities. Orkney Health and Care commissioned various specialist groups to provide support and care as well as other services such as the provision of agency workers.
- That the objective of the audit was to review contract management within Orkney Health and Care, including the policy and process for governance, how they were entered into and how supplier performance was scrutinised and monitored.
- That the audit provided limited assurance around the processes and procedures relating to contract managed services in Orkney Health and Care and included three medium priority recommendations concerning procurement and contracts and three low priority recommendations concerning compliance with Contract Standing Orders and contract monitoring. There were no high-level recommendations.

Following a query from the Chair regarding what would happen with the actions marked against the now vacant post of Head of Strategic Planning and Performance, Stephen Brown confirmed that, with Maureen Swannie moving to Interim Head of Children, Families and Justice Services, it did leave a gap, but an interim appointment would be made shortly. In the meantime, he confirmed that himself and Maureen Swannie would ensure that the action plan continued to be taken forward.

Maureen Swannie confirmed that, although there were actions with a short date attached to them, several of the actions had already been started.

Davie Campbell sought assurance that the actions that related to staff constraints would be dealt with in a way that did not put additional pressure on staff.

The Performance and Audit Committee thereafter noted:

**6.1.** That the Council's Internal Audit had undertaken an Internal Audit of Contract Managed Services.

**6.2.** That the Internal Audit report, attached as Appendix 1 to the report by the Chief Internal Auditor, was scrutinised by the Council's Monitoring and Audit Committee on 9 February 2023.

**6.3.** The findings of the Internal Audit Report Orkney Health and Care Contract Managed Services, attached as Appendix 1, to the report by the Chief Internal Auditor.

## 7. Internal Audit of Workforce Planning

There had been previously circulated a report presenting the Workforce Planning audit report, for scrutiny.

Andrew Paterson advised members:

- That, on 11 March 2022, the Scottish Government published its National Workforce Strategy for Health and Social Care. To support delivery of the national workforce strategy, each NHS board and Health and Social Care Partnership across Scotland had been asked to develop a 3-year Workforce Plan.
- That feedback from the Scottish Government Health Workforce Directorate on the combined NHS Orkney and Orkney Health and Social Care Partnership draft 2022-25 workforce plan recognised the considerable work NHS Orkney, partners and various stakeholders had undertaken during what remained a challenging operating environment.
- That the feedback also commented that “evidence of input from the Health and Social Care Partnership and Orkney Islands Council seemed less than anticipated”.
- That the objective of the audit was to review workforce planning within Orkney Health and Social Care Partnership.
- That the audit provided adequate assurance that the processes and procedures relating to workforce planning were well controlled and managed.
- That the audit included three medium priority recommendations relating to engagement with the third sector and unpaid carers and monitoring future iterations of the workforce plan. There were six low priority recommendations relating to maintaining an action plan, health and wellbeing risk assessment, sickness absence and staff turnover rates. There were no high-level recommendations.

Following a query from Davie Campbell regarding identifying and engaging with the representatives of unpaid carers, Stephen Brown confirmed that it was recognised there were many people with unpaid caring responsibilities across the community. He confirmed that, through the Integration Joint Board, positions of a Carer Lead and a Carer Support Worker were being investigated and hopefully to be created in the coming months. The creation of these posts would drive the agenda forward but confirmed that the Strategic Planning Group was continuing to work on the best way forward regarding this matter.

Stephen Brown continued that it was hoped that, working in tandem with third sector organisations, particularly Crossroads, a campaign around supporting carers could be planned. He confirmed there was a lot of work ongoing but confirmed that there was much still to do.

Following a query from the Chair regarding an update on the actions where the completion date was due shortly or had past, Stephen Brown confirmed that the actions where the dates had already past had been completed. He further confirmed that any outstanding actions allocated to the vacant position of Head of Strategic Planning and Performance would be reallocated to other individuals in the meantime.

The Performance and Audit Committee thereafter noted:

**7.1.** That an Internal Audit of Workforce Planning, which was agreed as part of the IJB Internal Audit Plan for 2022/23, had been undertaken.

The Performance and Audit Committee scrutinised:

**7.2.** The Workforce Planning Audit Report, attached as Appendix 1 to the report by the Chief Internal Auditor, and obtained assurance.

## **8. Internal Audit – IJB Adjustments**

There had been previously circulated a report presenting the IJB Adjustments Audit Report, for scrutiny.

David Eardley, Director of Audit and Assurance, Azets, advised members:

- That the IJB Adjustments Internal Audit report had been commissioned for NHS Orkney, with engagement with IJB agreed by both parties, and was being presented to the Performance and Audit Committee for transparency as well as the crosscutting themes the report touched on.
- That, in an agreed amendment to the 2022/23 Internal Audit Plan for NHS Orkney, a review of engagement and communication of additional costs incurred by the Integration Joint Board which came to light during NHS Orkney's post year end accounts preparation process was undertaken.
- That Internal Auditors considered how the process aligned with agreed protocol and good practice.
- That the additional expenditure and associated impact on reserves that had resulted in a late adjustment to NHS Orkney's financial statements appeared to have been incurred to address staff shortages as a result of COVID-19 and as such had been used for an appropriate purpose.
- That there was little doubt that the complexities, pressures and challenges facing all public bodies had made it particularly challenging in managing all aspects of the arrangements and delivery.
- That issues had been noted relating to communicating and timeliness of oversight by the IJB of the likely costs being incurred, as well as the impact of the delayed communication regarding engagement with Scottish Government to ensure that opportunities to maximise funding for delivery of health and social care services were taken.
- That, following correspondence from the Scottish Government, the surplus unspent COVID-19 reserves were returned.
- That three recommendations had been identified in relation to communication and engagement across partners.

Davie Campbell commented that he welcomed the paper which showed that communication could be improved. One thing that he would like to see as a result of the paper going forward regarding budgets was if there could be real time situations incorporated into budgets showing, for example, gaps in service which could then be planned for. He also commented that the report highlighted the need for extra budget planning for the IJB, which was really helpful.

The Performance and Audit Committee thereafter scrutinised the IJB Adjustments Audit Report, attached as Appendix 1 to the report by the Chief Officer, and obtained assurance.

## **9. Care Inspectorate: Fostering, Adoption and Adult Placement Services**

There had been previously circulated a report presenting the findings of the Care Inspectorate's inspections of Fostering, Adoption and Adult Placement (Continuity Care) Services, for scrutiny.

Stephen Brown advised members:

- That the report detailed the outcome of inspections of fostering, adoption and adult placement services for young people who were in continuing care.
- That these were annual inspections which were undertaken as the services were registered with the Care Inspectorate.
- That the outcome of the inspections was particularly adverse as there were significant failings identified particularly relating to young people who were not progressing towards permanency in the way they should have been.
- That an inspection, carried out almost two years prior to this inspection, which had been interrupted by COVID-19, identified several recommendations, none of which had been actioned by the time of this inspection.
- That, while there had been some significant progress in relation to the wider children's services, because of this and dealing with COVID-19, the actioning that should have been carried out for fostering and adoption had not been done.
- That the Action Plans that had been provided to the Care Inspectorate and which were being worked through had been circulated with the report for information.
- That Cathy Martin had taken responsibility for overseeing the actions in Action Plans for Fostering and Adoption.
- That many of the recommendations in the Action Plan had already been completed or begun.
- That the Care Inspectorate, who were satisfied with the Action Plans that were in place at the moment, would return in July 2023 to discuss progress being made.

The Chair commented that he was aware that this report had been discussed and scrutinised at various other Committees previously and was pleased to hear an individual had been identified to oversee the Action Plans.

Following a query from Davie Campbell, Stephen Brown confirmed that a report would be brought back to the Performance and Audit Committee in September 2023 detailing progress made.

The Performance and Audit Committee thereafter noted:

**9.1.** That, on 26 September 2022, the Care Inspectorate undertook a short notice, announced, inspection of the following registered services:

- Fostering Service.
- Adoption Service.

- Adult Placement Service (Continuing Care).

**9.2.** That, on 29 November 2022, the Care Inspectorate published its inspection reports in relation to the registered services referred to above.

**9.3.** That, in response to the inspection reports, referred to above, Action Plans, attached as Appendices 4, 5 and 6 to the report by the Chief Officer, were developed, addressing all the requirements and improvement areas identified from the inspection findings.

**9.4.** The key findings arising from the registered services inspection reports, summarised in sections 4 to 6 of the report by the Chief Officer.

**9.5.** The positive findings arising from the registered services inspection reports, summarised in section 7 and attached as Appendix 7 to the report by the Chief Officer.

The Performance and Audit Committee scrutinised:

**9.6.** The inspection reports by the Care Inspectorate in respect of Fostering, Adoption and Adult Placement (Continuing Care) Registered Services, attached as Appendices 1 to 3 to the report by the Chief Officer, together with the associated Action Plans, attached as Appendices 4 to 6, and obtained assurance that planning and implementing actions to address the priority areas for improvement continued to develop and improve.

## **10. Date and Time of Next Meeting**

It was agreed that the next meeting be held on Wednesday, 28 June 2023 at 09:30.

## **11. Conclusion of Meeting**

There being no further business, the Chair declared the meeting concluded at 10:08.