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Agenda Item: 6

Integration Joint Board – Audit Committee

Date of Meeting: 13 March 2019.

Subject: Governance of Compliance with Integration Joint Board Legislation (IJB).

1. Summary

1.1. As part of the Internal Audit Plan for 2018 to 2019 one of the following internal audits identified was in relation to Governance, Risk Management and Control.

2. Purpose

2.1. To present the findings of the internal audit report relating to governance compliance with Integration Joint Board legislation.

3. Recommendations

The Audit Committee is invited to note:

3.1. That Scott-Moncrieff has undertaken an audit of the governance of compliance with Integration Joint Board legislation.

3.2. The findings of the internal audit report – Governance of Compliance with IJB Legislation, attached as Appendix 1 to this report.

4. Background

4.1. Orkney's Integration Scheme is a legally binding contract between Orkney Islands Council and NHS Orkney, establishing a body corporate arrangement as set out in the Public Bodies (Joint Working) (Scotland) Act 2014.

4.2. The Integration Joint Board has responsibility for the strategic planning and oversight of the functions delegated to it and for ensuring the delivery of these functions through the Chief Officer and locally agreed operational arrangement as set out within the Integration Scheme.

4.3. The purpose of the audit was to review the governance processes in operation of the Integration Joint Board.

5. Audit Findings

5.1. The audit findings provide reasonable assurance that the processes and procedures in place are adequately controlled and managed. Areas of good practice are highlighted within the key findings of the internal audit report, attached as Appendix 1 to this report. It was noted that there are no areas for improvement identified during the course of the review.

6. Contribution to quality

The table below indicates which of the Council Plan 2018 to 2023 and 2020 vision/quality ambitions are supported in this report:

Promoting survival: To support our communities.	No.
Promoting sustainability: To make sure economic, environmental and social factors are balanced.	No.
Promoting equality: To encourage services to provide equal opportunities for everyone.	No.
Working together: To overcome issues more effectively through partnership working.	Yes.
Working with communities: To involve community councils, community groups, voluntary groups and individuals in the process.	No.
Working to provide better services: To improve the planning and delivery of services.	Yes.
Safe: Avoiding injuries to patients from healthcare that is intended to help them.	No.
Effective: Providing services based on scientific knowledge.	No.
Efficient: Avoiding waste, including waste of equipment, supplies, ideas, and energy.	No.

7. Resource implications and identified source of funding

7.1. There are no resource implications associated directly with the recommendations to this report.

8. Risk and Equality assessment

8.1. There are no risk or equality implications associated with this report.

9. Direction Required

Please indicate if this report requires a direction to be passed to:

NHS Orkney.	No.
Orkney Islands Council.	No.
Both NHS Orkney and Orkney Islands Council.	No.

10. Escalation Required

Please indicate if this report requires escalated to:

NHS Orkney.	No.
Orkney Islands Council.	No.
Both NHS Orkney and Orkney Islands Council.	No.

11. Author

11.1. Pat Robinson (Chief Finance Officer), Integration Joint Board.

12. Contact details

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13. Supporting documents

13.1. Appendix 1: Governance of Compliance with Integration Joint Board Legislation.



Orkney Islands IJB
Internal Audit Report 2018/19
Governance of compliance
with IJB legislation

November 2018



Scott-Moncrieff
business advisers and accountants

Orkney Islands IJB

Internal Audit Report 2018/19

Governance of compliance with IJB legislation

Executive Summary	1
Management Action Plan	4
Appendix A – Definitions	6

<i>Audit Sponsors</i>	<i>Key Contacts</i>	<i>Audit team</i>
<i>Gerry O'Brien, NHS Orkney Chief Executive Alistair Buchan, Orkney Islands Council. Chief executive</i>	<i>Pat Robinson (Chief Financial Officer) Kay McKerrall (Solicitor)</i>	<i>Chris Brown, Partner Matt Swann, Audit Senior Manager</i>

Executive Summary

The IJB has strong governance processes to provide effective oversight of IJB activities.

The integration scheme has been designed in a manner that enables any changes required to the scheme or its operational approach to be implemented in a timely manner.

A further internal audit considering the new commissioning plan from 2019-20 is due to be undertaken as part of the 2018/19 internal audit plan.

Background and scope

Legislation requiring integration of Health and Social Care came into effect in April 2016.

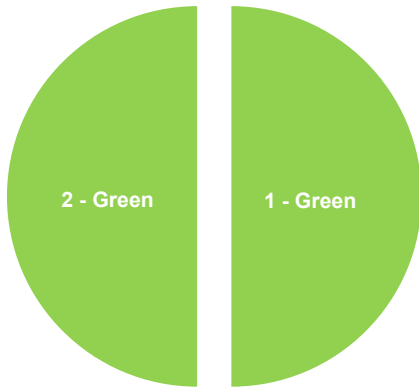
Orkney's Integration Scheme is a legally binding contract between Orkney Islands Council and NHS Orkney, establishing a body corporate arrangement as set out in section 1(4)(a) of the Public Bodies (Joint Working) (Scotland) Act 2014.

The Integration Joint Board (IJB) has responsibility for the strategic planning and oversight of the functions delegated to it and for ensuring the delivery of these functions through the Chief Officer and locally agreed operational arrangements as set out within the Integration Scheme.

Efficient governance and scrutiny is required from the IJB to ensure continuous improvement against national outcomes, standards and corporate objectives.

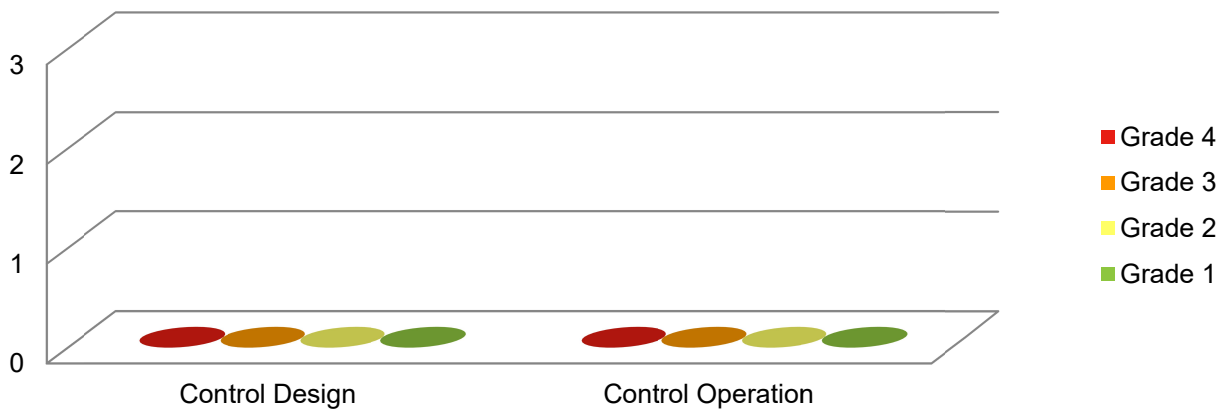
The scope of this review has focused primarily on the governance processes in operation in the IJB. A further review is scheduled to be undertaken in 2018/19 that focusses on the development of the 2019-2020 commissioning plan including development of appropriate targets to enable performance monitoring.

Control assessment



- 1. The Integration Scheme is responsive to changes in approach as a result of significant changes in the operating environment.
- 2. The governance structure of the IJB is operating effectively ensuring compliance with the Integration Scheme. The remit and responsibilities of the Board are clearly set out and members are actively engaged in scrutiny and monitoring.

Improvement actions by type and priority



No improvement actions have been identified from this review. See Appendix A for definitions of colour coding.

Key findings

Good practice

We have gained assurance that Orkney Islands IJB procedures reflect good practice in a number of areas:

- The Integration Scheme clearly articulates the functions which have been delegated and all functions required to be delegated under legislation are within the scope of the Integration scheme.
- There is a consistent approach to the monitoring of financial and operational performance. This has been assigned appropriately to the IJB and its sub committees including the Strategic Planning Group.
- The IJB has appropriate membership to enable functions to be carried out in an effective manner.

Areas for improvement

No areas for improvement have been identified during the course of this review

Impact on risk register

The NHS Orkney and IJB corporate risk registers included the following risks relevant to this review:

NHS Orkney:

- CRR 126: NHSO may suffer reputational damage due to inadequate planning associated with proposed organisational change/redesign. (Initial risk: Medium, Current risk: Medium, Target risk: Medium).

Orkney Islands Council

- 10. Lack of sustainability of partnerships and clarity of responsibilities and outcomes – Working in partnership exposes the Council to some degree of reputational risk, depending on the stability of the arrangements and outcomes delivered.

Orkney IJB:

- 1b) There is a risk of no strategic oversight and management to the services.
- 6) There is a risk that IJB Board members do not understand their role and therefore cannot fulfil it properly

The findings of these reviews do not indicate the need to incorporate any further risks.

Acknowledgements

We would like to thank all staff consulted during this review for their assistance and co-operation.

Management Action Plan

Control Objective 1: The Integration Scheme is responsive to changes in approach as a result of significant changes in the operating environment.



Green

No weaknesses identified

The Integration Scheme was designed in 2015 following appropriate consultation with key stakeholders and review against legislative requirements. We have noted from our review that all mandatory functions that are required by the legislation to be delegated by NHS Orkney and Orkney Islands Council have been delegated to the IJB. The design of the scheme enables flexibility to deal with operational change with more significant changes, such as the Carers (Scotland) Act 2018, that require more formal update to the scheme. The scheme has been appropriately amended for this change at the beginning of 2018.

The scheme is well structured providing a clear overview of:

- Matters delegated by Orkney Islands Council and NHS Orkney to the IJB; and
- Integrated services to be provided by Orkney Islands Council and NHS Orkney on behalf of the IJB.

The regular meetings of the IJB consider the wider operating environment and the impact on the IJB in the following manner:

- Review of the risk register at every meeting of the IJB. This enables appropriate action to address emerging risks to be taken;
- Regular consideration of matters delegated to the sub committees of the IJB; and
- Consideration of other matters relevant to the performance of the IJB.

This approach enables the IJB to remain responsive to changes on a continual basis.

Control Objective 2: The governance structure of the IJB is operating effectively ensuring compliance with the Integration Scheme. The remit and responsibilities of the Board are clearly set out and members are actively engaged in scrutiny and monitoring.

A green circle containing the word "Green" in white text, indicating a positive status or finding.

No weaknesses identified

An appropriate governance structure has been established for the IJB with four committees supporting effective delivery of outcomes:

- Audit;
- Clinical and Care Governance;
- Strategic Planning Group; and
- Joint Staff Forum

This structure meets the requirements of the legislation and is aligned to the delegated function of the IJB providing appropriate forums to enable effective scrutiny.

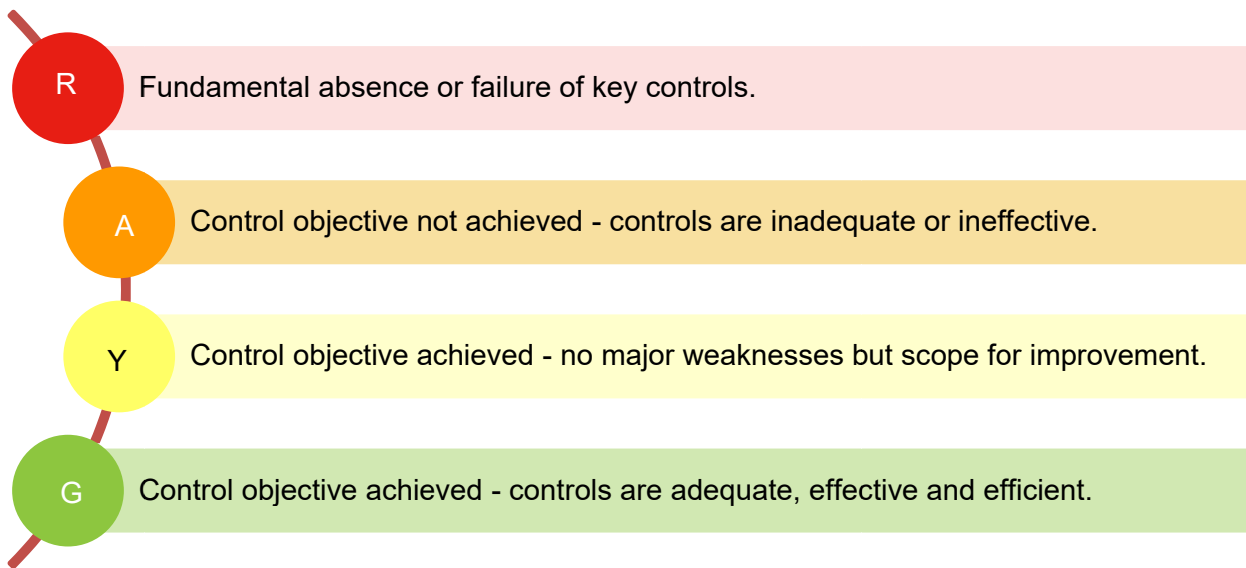
We have reviewed the terms of reference and membership of each group and consider these appropriate to enable scrutiny and are aligned to Scottish Government requirements. Where overlap of responsibility has been identified, the approach to how responsibility is shared is clearly articulated to avoid ambiguity.

We have reviewed a sample of minutes of meetings for the IJB and have found that reporting of both operational and financial performance in the context of the Strategic Commissioning Plan is considered at each meeting. The review of the performance is timely with appropriate scrutiny of activities undertaken. This review includes identification of matters that are classified on a red, amber, green basis.

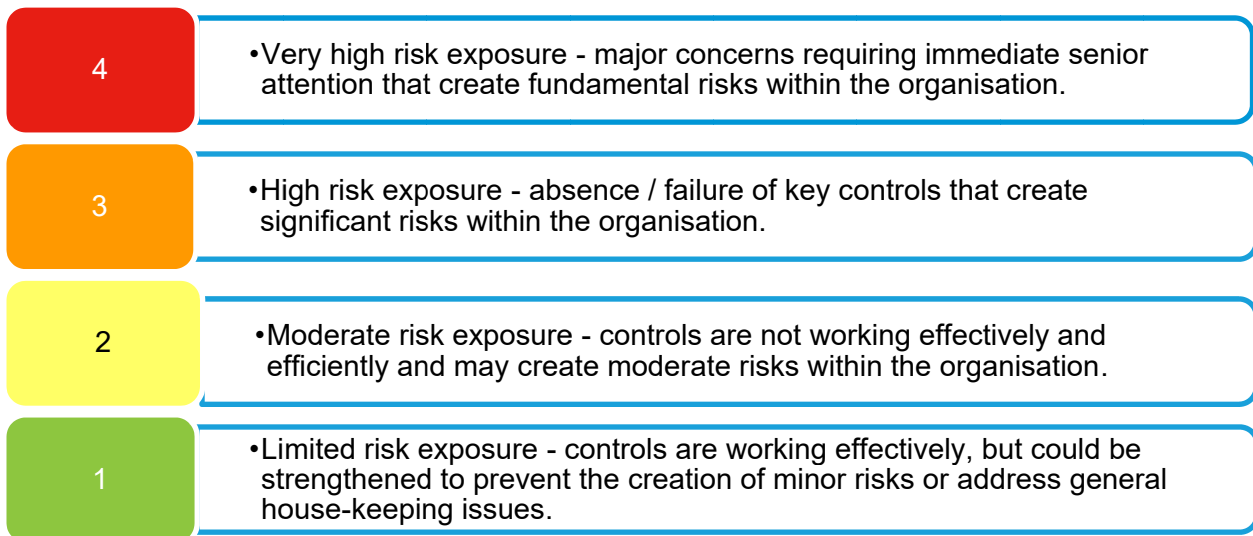
In 2018/19 we will undertake a further review of the approach to the delivery of the joint commissioning plan including consideration of strategic reporting provided to the Board.

Appendix A – Definitions

Control assessments



Management action grades



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