

# Public Document Pack



Aberdeen City Health & Social Care Partnership  
*A caring partnership*

To: Professor Mike Greaves, Chairperson; and Councillors Ironside CBE and Young; and Rhona Atkinson.

Town House,  
ABERDEEN, 21 February 2017

## **AUDIT AND PERFORMANCE SYSTEMS COMMITTEE**

The Members of the **AUDIT AND PERFORMANCE SYSTEMS COMMITTEE** are requested to meet in Meeting Room 5 of the Health Village on **TUESDAY, 28 FEBRUARY 2017 at 10.00 am.**

FRASER BELL  
HEAD OF LEGAL AND DEMOCRATIC SERVICES

### **BUSINESS**

#### **FOR REFERENCE**

TERMS OF REFERENCE

BOARD ASSURANCE FRAMEWORK

#### **DECLARATION OF INTERESTS**

- 1 Members are requested to intimate any declarations of interests

#### **DETERMINATION OF EXEMPT BUSINESS**

- 2 Members are requested to determine that any exempt business be considered with the press and public excluded

## **STANDING ITEMS**

- 3 Minute of Previous Meeting - 10 January 2017 (Pages 35 - 40)
- 4 Corporate Risk Register (Pages 41 - 70)

## **ITEMS OF BUSINESS**

- 5 Review of Internal Auditors (Pages 71 - 74)
- 6 External Audit Strategy Report (Pages 75 - 96)
- 7 Transformation Update Report (Pages 97 - 120)

## **ITEMS THE COMMITTEE MAY WISH TO CONSIDER IN PRIVATE**

- 8 Committee Members Annual Meeting with IJB Auditors

Website Address: [www.aberdeencityhscp.scot](http://www.aberdeencityhscp.scot)

Should you require any further information about this agenda, please contact Iain Robertson, tel 01224 522869 or email [iairobertson@aberdeencity.gov.uk](mailto:iairobertson@aberdeencity.gov.uk)

**ABERDEEN CITY INTEGRATION JOINT BOARD  
AUDIT & PERFORMANCE SYSTEMS COMMITTEE  
TERMS OF REFERENCE**

<b>1</b>	<b>Introduction</b>
1.1	The Audit & Performance Systems Committee is identified as a Committee of the Integration Joint Board (IJB). The approved Terms of Reference and information on the composition and frequency of the Committee will be considered as an integral part of the Standing Orders.
1.2	The Committee will be known as the Audit & Performance Systems Committee (APS) of the IJB and will be a Standing Committee of the Board,
<b>2</b>	<b>Constitution</b>
2.1	The IJB shall appoint the Committee. The Committee will consist of not less than 4 members of the IJB, excluding Professional Advisors. The Committee will include at least two voting members, one from Health and one from the Council.
<b>3</b>	<b>Chair</b>
3.1	The Committee will be chaired by a non-office bearing voting member of the IJB and will rotate between NHS and ACC.
<b>4</b>	<b>Quorum</b>
4.1	Three Members of the Committee will constitute a quorum.
<b>5</b>	<b>Attendance at meetings</b>
5.1	The Board Chair, Chief Officer, Chief Finance Officer Chief Internal Auditor and other Professional Advisors and senior officers as required as a matter of course, external audit or other persons shall attend meetings at the invitation of the Committee.
5.2	The Chief Internal Auditor should normally attend meetings and the external auditor will attend at least one meeting per annum.
5.3	The Committee may co-opt additional advisors as required.
<b>6</b>	<b>Meeting Frequency</b>
6.1	The Committee will meet at least 4 times each financial year. There should be at least one meeting a year, or part therefore, where the Committee meets the external and Chief Internal Auditor without other seniors officers present. A further 2 developmental sessions will be planned over the course of the year to support the development of members.
<b>7</b>	<b>Authority</b>
7.1	The Committee is authorised to instruct further investigation on any matters which fall

	within its Terms of Reference.
<b>8</b>	<b>Duties</b>
8.1	The Committee will review the overall Internal Control arrangements of the Board and make recommendations to the Board regarding signing of the Governance Statement, having received assurance from all relevant Committees.
	Specifically it will be responsible for the following duties:
1.	The preparation and implementation of the strategy for Performance Review and monitoring the performance of the Partnership towards achieving its policy objectives and priorities in relation to all functions of the IJB;
2.	Ensuring that the Chief Officer establishes and implements satisfactory arrangements for reviewing and appraising service performance against set objectives, levels and standards of service and the performance indicators and to receive regular reports on these and to review the outcomes. As a delegated function, this performance systems scrutiny role of the Committee will be annually delegated within the Board's own risk appetite.
3.	Acting as a focus for value for money and service quality initiatives;
4.	To review and approve the annual audit plan on behalf of the IJB, receiving reports, overseeing and reviewing actions taken on audit recommendations and reporting to the Board;
5.	Monitoring the annual work programme of Internal Audit, including ensuring IJB oversight of the clinical and care audit function and programme to ensure this is carried out strategically;
6.	To consider matters arising from Internal and External Audit reports;
7.	Review on a regular basis actions planned by management to remedy weaknesses or other criticisms made by Internal or External Audit
8.	To support the IJB in ensuring that the strategic integrated assurance and performance framework is working effectively, and that escalation of notice and action is consistent with the risk tolerance set by the Board.
9.	To support the IJB in delivering and expecting cooperation in seeking assurance that hosted services run by partners are working effectively in order to allow Aberdeen City IJB to sign off on its accountabilities for its resident population.
10.	Review risk management arrangements, receive annual Risk Management updates and reports.
11.	Ensure existence of and compliance with an appropriate Risk Management Strategy.
12.	Reporting to the IJB on the resources required to carry out Performance

	Reviews and related processes;
13.	To consider annual financial accounts and related matters before submission to and approval by the IJB;
14.	Ensuring that the Senior Management Team, including Heads of Service, Professional Leads and Principal Managers maintain effective controls within their services which comply with financial procedures and regulations;
15.	Reviewing the implementation of the Strategic Plan;
16.	To be responsible for setting its own work programme which will include the right to undertake reviews following input from the IJB and any other IJB Committees;
17.	The Committee may at its discretion set up short term working groups for review work. Membership of the working group will be open to anyone whom the Committee considers will assist in the task assigned. The working groups will not be decision making bodies or formal committees but will make recommendations to the Audit Committee;
18.	Promoting the highest standards of conduct by Board Members; and
19.	Monitoring and keeping under review the Codes of Conduct maintained by the IJB.
20.	Will have oversight of Information Governance arrangements as part of the Performance and Audit process.
21.	Ensuring effective IJB oversight of the scrutiny of Serious Incidents in health and social care, including monitoring and reporting systems, timely action, training and improvement activities.
22.	To be aware of, and act on, Audit Scotland, national and UK audit findings and inspections/regulatory advice, and to confirm that all compliance has been responded to in timely fashion.
<b>9</b>	<b>Review</b>
9.1	The Terms of Reference will be reviewed every six months to ensure their ongoing appropriateness in dealing with the business of the IJB.
9.2	As a matter of good practice, the Committee should expose itself to periodic review utilising best practice guidelines and external facilitation as required.

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## Aberdeen City Health and Social Care Partnership

### Board Assurance and Escalation Framework

#### Part 1: Introduction

##### 1.1 Background

The partner organisations of Aberdeen City Health and Social Care Partnership (ACHSP), Aberdeen City Council and NHS Grampian (the “Parties”), are committed to successfully integrating health and social care services, to achieve the partnership’s vision of:

*“a caring partnership, working together with our communities to enable people to achieve healthier, fulfilling lives and wellbeing.”*

ACHSP has established an Integrated Joint Board (IJB) through the Public Bodies (Joint Working) (Scotland) Act 2014. The remit of the IJB is to prepare and implement a Strategic Plan in relation to the provision of health and social care services to adults in its area in accordance with sections 29-39 of the Public Bodies Act. The arrangements for governance of the IJB itself, including rules of membership, are set out in the Integration Scheme and Standing Orders.

While the Parties are responsible for implementing governance arrangements of services the IJB instructs them to deliver, and for the assurance of quality and safety of services commissioned from the third and independent sectors, the Parties and the IJB are accountable for ensuring appropriate clinical and professional governance arrangements for their duties under the Act. The IJB therefore needs to have clear structures and systems in place to assure itself that services are planned and delivered in line with the principles of good governance and in alignment with its strategic priorities.

The IJB must have in place a robust framework to support appropriate and transparent management and decision-making processes. This framework will enable the board to be assured of the quality of its services, the probity of its operations and of the effectiveness with which the board is alerted to risks to the achievement of its overall purpose and priorities.

##### 1.2 Regulatory framework

The Aberdeen City Health and Social Care Integration Scheme describes the regulatory framework governing the IJB, its members and duties. In particular, the IJB is organised in line with the guidance set out in the Roles, Responsibilities and Membership of the Integration Joint Board - Guidance and advice to supplement the Public Bodies (Joint Working) (Integration Joint Board) (Scotland) Order 2014. The principles of and codes of conduct for corporate governance in Scotland are set out in “On Board: A Guide for Members of Public Bodies in Scotland”, published by the Scottish Government in July 2006.

Detailed arrangements for the board's operation are set out in "Roles, Responsibilities and Membership of the Integration Joint Board" Guidance and advice to supplement the Public Bodies (Joint Working) (Integration Joint Board) (Scotland) Order 2014. There are also Standing Orders of the IJB.

The IJB will make recommendations, or give directions where appropriate (i.e. where funding for employment is required) to the decision-making arms of the two Parties as required.

### 1.3 Purpose of the framework

This governance framework describes the means by which the board secures assurance on its activities. It sets out the governance structure, systems and performance and outcome indicators through which the IJB receives assurance. It also describes the process for the escalation of concerns or risks which could threaten delivery of the IJB's priorities, including risks to the quality and safety of services to service users.

It is underpinned by the principles of good governance<sup>1 2 3</sup> and by awareness that ACHSP is committed to being a leading edge organisation in the business of transforming health and social care.

This commitment requires governance systems which will encourage and enable innovation, community engagement and participation, and joint working. Systems for assurance and escalation of concerns are based on an understanding of the nature of risk to an organisation's goals, and to the appetite for risk-taking. The development of a mature understanding of risk is thus fundamental to the development of governance systems. The innovative nature of Health and Social Care Integration Schemes also requires governance systems which support complex arrangements, such as hosting of services on behalf of other IJBs, planning only of services delivered by other entities, accountability for assurance without delivery responsibility, and other models of care delivery and planning. This framework has been constructed in the light of these complexities and the likelihood that it may be important to amend and revise the systems as our understanding of the integration environment develops.

The structures and systems described are those in place at the IJB's formal go live in April 2016 and for the first year of its operations. In order to ensure that the framework can best support the IJB in its ambitions going forward, it will be reviewed at the end of this initial period.

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<sup>1</sup> Good Governance Institute (GGI) and Healthcare Quality Improvement Partnership (HQIP), *Good Governance Handbook*, January 2015, <http://www.good-governance.org.uk/good-governance-handbook-publication/>

<sup>2</sup> The Scottish Government, Risk Management – public sector guidance, 2009. <http://www.gov.scot/Topics/Government/Finance/spfm/risk>

<sup>3</sup> Chartered Institute of Public Finance and Accountancy (CIPFA) and the International Federation of Accountants® (IFAC®). *International Framework: Good Governance in the Public Sector*, (2014) - <http://www.cipfa.org/policy-and-guidance/standards/international-framework-good-governance-in-the-public-sector>



## 1.4 An integrated approach to governance for health and social care

In working towards the vision stated above, the IJB is committed to ensuring that delegated services are:

- Caring
- Person centred
- Enabling

The integration principles identified by The Scottish Government <sup>4</sup> also underpin decision-making within the IJB.

In 2013, the principles of good governance for both healthcare quality and for quality social care in Scotland were described.<sup>5</sup> These stressed the importance of:

- Embedding continuous improvement
- Providing robust assurance of high quality, effective and safe clinical and care services
- The identification and management of risks to and failure in services and systems
- Involvement of service users/carers and the wider public in the development of services
- Ensuring appropriate staff support and training
- Ensuring clear accountability


The rest of this document and its appendices sets out the structures and systems currently in place to support both assurance of compliance and of transformation of services within the scope of ACHSP business. This framework can be represented graphically as follows in Table 1:

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<sup>4</sup> Integration Planning and Delivery Principles, The Scottish Government. <http://www.gov.scot/Topics/Health/Policy/Adult-Health-SocialCare-Integration/Principles>

<sup>5</sup> Governance for Quality Healthcare, The Scottish Government, 2013. <http://www.gov.scot/Topics/Health/Policy/Quality-Strategy/GovernanceQualityHealthcareAgreement>

**Table 1**

	ASSURANCE of COMPLIANCE	ASSURANCE of IMPROVEMENT, INNOVATION and TRANSFORMATION
<b>FOCUS</b>	Compliance with standards and regulation, communication and escalation of concerns and risks	Improving services, measuring and sustaining improvement Challenging work patterns, innovation, redesign and transformation
<b>KEY COMPONENTS</b>	People and Groups: partners; roles; committee structures Plans and Activities: engagement plan; risk management policy and system; audit system Feedback and Reporting processes: concerns and escalation process	
	<b>Board Level</b>	
	<b>Corporate Level</b>	
	<b>Service level</b>	
	<b>Individual Level</b>	
<b>OUTCOMES</b>	IJB measures of success for stakeholders and assurances from internal and external sources	IJB measures of success for stakeholders and assurances from internal and external sources

## Part 2: The Framework

### 2.1 Strategic priorities

From the nine strategic outcomes identified nationally as desired outcomes from integration, the ACHSP has, in its Strategic Plan<sup>6</sup>, articulated seven strategic priorities, which form the basis of its governance framework.

- Develop a consistent person centred approach that promotes and protects the human rights of every individual and which enable our citizens to have opportunities to maintain their wellbeing and take a full and active role in their local community.
- Support and improve the health, wellbeing and quality of life of our local population.
- Promote and support self-management and independence for individuals for as long as reasonably possible.
- Value and support those who are unpaid carers to become equal partners in the planning and delivery of services, to look after their own health and to have a quality of life outside the caring role if so desired.
- Contribute to a reduction in health inequalities and the inequalities in the wider social conditions that affect our health and wellbeing.
- Strengthen existing community assets and resources that can help local people with their needs as they perceive them and make it easier for people to contribute to helping others in their communities.
- Support our staff to deliver high quality services that have a positive impact on personal experiences and outcomes.

These priorities underpin:

- Decision-making criteria for service development, planning and delivery; resource allocation etc
- The Board Assurance Framework of key strategic risks
- Corporate operational risk register
- Risk registers across all departments and areas of operation
- Individual performance and appraisals
- Evaluation of achievement against objectives

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<sup>6</sup> Aberdeen City Health and Social Care Partnership Strategic Plan 2016-19.

## 2.2 Risk Management

### Risk appetite

The ACHSP recognises that achievement of its priorities may involve balancing different types of risk and that there may be a complex relationship between different risks and opportunities. The IJB has therefore agreed a statement of its risk appetite.<sup>7</sup>

This statement is intended to be helpful to the board in decision-making and to enable members to consider the risks to organisational goals of not taking decisions as well as of taking them. As a newly established organisation, the ACHSP's appetite for risk will change over time, reflecting a longer-term aspiration to develop innovation in local service provision. As a result, the IJB is working towards a mature risk appetite over time<sup>8</sup>.

### Risk Management policy and system

The Risk Appetite statement, risk management policy, strategic and corporate risk registers form the risk management framework.

The IJB Risk Management policy is under development in line with pan-Grampian arrangements, with the aim of establishing a consistent approach across the three IJBs. It currently sets out the arrangements for the management and reporting of risks to IJB strategic priorities, across services, corporate departments and IJB partners. In line with the principles set out in the Australia/New Zealand Risk Management Standard 4360<sup>9</sup>, it describes how risk is contextualised, identified, analysed for likelihood and impact, prioritised, and managed. This process is framed by the requirement for consultation and communication, and for monitoring and review.

Identified risks are measured according to the IJB risk assessment methodology and recorded onto risk registers. The methodology for assessment of risk appears at Appendix 5. They are escalated according to the flowchart shown at Appendix 6.

The outputs from risk assessment are as follows:

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<sup>7</sup> Aberdeen City Health and Social Care Partnership Risk Appetite Statement – contained within ACHSP Strategic Plan 2016-19.

<sup>8</sup> Good Governance Institute (GGI) and Aberdeen City Health and Social Care Partnership, *GGI Risk Appetite Board Assurance Prompt, including a maturity matrix to support better use of risk in partnership decision taking* (2016)

<sup>9</sup> Standards New Zealand, AS/NZS ISO 31000:2009 Risk Management – Principles and guidelines is a joint Australia/New Zealand adoption of ISO 31000:2009

## IJB board level: The Board Strategic Risk Register (SRR)

This document sets out the strategic risks which may threaten achievement of the IJB's strategic priorities, in order for the board to monitor its progress, demonstrate its attention to key accountability issues, ensure that it debates the right issue, and that it takes remedial actions to reduce risk to integration. Importantly, it identifies the assurances and assurance routes against each risk and the associated mitigating actions.

The issues identified are measured according to the IJB risk appetite and risk assessment methodology. They are summarised in a format which reflects the IJB's standardised risk register format. As the IJB develops its assurance process, each risk on this register will be analysed in detail using a format acknowledged as best practice in terms of Board Assurance Frameworks <sup>10</sup> (as illustrated in Appendix 1 – Strategic risk register format).

The risks are identified by:

- Discussions at Executive Group
- Review of Performance data and dashboards
- Reports from Project Management Board on review of PMO dashboards
- Review of the IJB Corporate Risk Register (see below)
- Review of Chief Officer reports and reports from IJB sub committees

The Executive Group agrees issues for inclusion on (and removal from) the SRR, and submits to the IJB for formal review.

The Audit and Performance Systems Committee reviews the SRR for the effectiveness of the process.

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<sup>10</sup> Good Governance Institute (GGI) and 360 Assurance, *Building a Framework for Board/Governing Body Assurance*, February 2014. <http://www.good-governance.org.uk/wp-content/uploads/2014/07/360-GGI-Assurance-Framework-guidance.pdf>

## Corporate Level: Corporate Risk Register

The Corporate Risk Register comprises high scoring risks or those which cannot be managed locally from a range of sources. This document is routinely reviewed by both IJB sub committees to ensure:

- the right risks are being reported and escalated
- actions are being taken to mitigate risk
- these actions have been effective in reducing the risk level
- the IJB is aware of high level risks affecting services and of those where actions are not being taken in a timely manner or have not been successful in reducing the risk

The issues identified are measured according to the risk assessment methodology. They are recorded using the following format:

**Table 2**

Page 14 ID

ID	Strategic Priority	Description of Risk	Impact	Date Last Assessed	Controls	Gaps in controls	Likelihood	Consequences	Risk Assessment	Assurances	Risk Owner/Handler	Comments
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The risks are identified, using the risk assessment matrix for high scoring risks, from:

- Review of PMO dashboards
- Corporate department risk registers
- Service risk registers and review of reports from service governance groups
- Review of reports from IJB sub committees
- IJB Occupational Health and Safety committee reports

The Head of Operations owns the Corporate Risk Register, and the Audit and Performance Systems Committee moderates risks escalated to ensure consistency and appropriateness of issues identified for inclusion and removal.

The Executive Group reviews the Corporate Risk Register and it will be reported to the Board bi-monthly demonstrating the changes in the risk profile of the IJB.

The risk register is shared with the governance arms of NHS Grampian and Aberdeen City Council.

## Service level: Risk registers and reports from governance groups

Arrangements will develop in the first year of operations across services, taking into account existing provider systems. Operational risks managed at the service and department level are monitored by the Chief Officer. The Clinical and Care Governance Group (see Appendix 3) will have a key role in identifying risk across services which may affect the safety and quality of services to users. The aims in developing risk communication between services and the IJB will be to achieve consistency in reporting the nature and scale of risks and to clarify how these are reported, escalated and actions monitored. The risk escalation flowchart at Appendix 6 shows the basis for this process.

## 2.3 Roles and Responsibilities for governance

### Committee structure

This section describes the key committees and groups in relation to the IJB governance framework.

The board has established two sub-committees, as follows: **Audit and Performance Systems**, and **Clinical and Care Governance**. These sub committees have powers conferred upon them by the IJB.

In relation to governance and assurance, the **Audit and Performance Systems Committee** performs the key role of reviewing and reporting on the effectiveness of the governance structures in place and on the quality of the assurances the Board receives. It has a moderation role in relation to the consistency of risk assessment. It also has oversight of information governance issues.

The **Clinical and Care Governance Committee (CCGC)** provides assurance to the IJB in relation to the quality and safety of services planned and/or delivered by the IJB. Its key role is to ensure that there are effective structures, processes and systems of control for the achievement of the IJB's priorities, where these relate to regulator compliance, service user experience, safety and the quality of service outcomes. To support this role, the CCGC is informed by the clinical and care governance arrangements in place across NHS Grampian and Aberdeen City Council (see Appendix 4 - Clinical and care governance diagram).

It also assures the IJB that services respond to requirements arising from regulation, accreditation and other inspections' recommendations. The Committee will consider and approve high value clinical and care risks, consider the adequacy of mitigation, the assurance provided for that mitigation and refer residual

high risks to the Board. It has a key role in assuring the board that learning from governance systems across services, including learning arising from incidents, complaints and identified risks, is shared and embedded as widely as possible.

The IJB's **Executive Group** is an executive committee with oversight of the implementation of IJB decisions. It oversees the innovation and transformation programmes and assures the Audit and Performance Systems Committee of transformation progress. The group also assures the board on progress towards the achievement of its strategic priorities through the Performance Management Framework.

The **Transformation Programme Board** reports to the Executive Group through the Project Management Office dashboard on all project activity, and its RAG assessment of progress, risk, quality, and resource implications for each project.

There are existing **governance arrangements within the providers of services delegated to the IJB**. Arrangements to standardise reporting systems through the IJB's governance structures will be developed during the first year of operations.

A diagram illustrating the structure appears at Appendix 2. A summary of the purpose, membership and reporting arrangements for these groups appears at Appendix 3.

## Individual responsibilities

### Board and corporate level:

The Chief Officer provides a single point of accountability for integrated health and social care services.

The Board and all its members must as a corporate body ensure good governance through the structures and systems described in this document. To ensure that the IJB is well-led and that all members are supported in this responsibility, a board development programme will be constructed to transfer knowledge and skills. To provide assurance that the Board has the capability and competence required, an annual self-assessment and periodic (minimum 3 yearly) independent assessment will be undertaken. In addition, an effective appraisal process for Board members is also in place.

### Professional level:

There are existing clinical and professional leadership structures in place to support clinical and care governance. These are:

- Lead Nurse
- Chief Social Work Officer
- Lead Allied Health Professional (AHP)
- Primary Care Clinical Leads (GPs)
- Public Health Lead



- Clinical Lead

As the structure develops these roles may be subject to change.

### Locality level:

The IJB is consulting on the key requirements for a management structure to lead on the delivery of services. This will require that there is a direct line of sight to the appropriate clinical and professional lead roles, and must take into account the location of services: some are locality based and others not. The development plan is that each of the six delivery points will have a single leader responsible for the good clinical and care governance of services within their remit.

## 2.4 Reporting of information to provide assurance and escalate concerns

The framework shown in Table 1 in section 1.4 can be populated as shown in Table 3 below. This will be developed over the first year of operations. Locality managers will work with their partners in local services to develop systems for reporting from their various governance forums through to the IJB, as indicated in Table 3 below:

**Table 3**

<b>FOCUS</b>	<b>Assurance of compliance, performance, improvement and transformation</b>
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	Individuals	Plans / activities	Groups / Partners	Reporting and feedback processes			
				Compliance with standards	Risk escalation and review	Performance monitoring	Improvement and Transformation reporting
<b>Board level</b>	Chair Chief Officer Board members Chairs / CEOs of the Parties	Strategic plan RM strategy Strategic Risk Assurance Register Corporate Risk register Performance framework Audit plan Standing Orders Integration Scheme	Board Executive group Audit and Performance Systems Committee Clinical and Care Governance Committee Other IJBs Scrutiny / governance arms of Parties	Review of BAF Review of risk scoring (TBC*) and above Review of Performance dashboard PMO report Audit reports to Board Exception and action plan review			
<b>Corporate level</b>	Directors Senior Managers PMO	Corporate risk register Performance dashboard Business planning Budget monitoring Joint Complaints Procedure	Executive Group Senior Integrated Management Team Cluster Management Group Strategic Planning Group Clinical and Care Governance Group	Financial monitoring Corporate risk register review Risk moderation and review			
<b>Service level</b>	Clinical leads and Social work leads Professional leads Locality managers Service managers Service users	Communication and Engagement plan Clinical and care governance policies Risk registers and assessments	Community partners Service governance forums 'Deep Dive' activity	Risk register system Governance reports Real time feedback Response to complaints Service level dashboards			
<b>Individual level</b>	Staff members Service users Carers	Communication and Engagement plan Raising concerns policy Safeguarding alerts Risk assessment Incident reporting	Staff forums IJB engagement activity	Objective setting and review Supervision and line management Staff surveys Feedback mechanisms (see assurance source section)			

\* TBC based on risk assessment process currently under development.

## 2.5 Sources of assurance



## Quality of services

Current providers have a range of clinical and care governance arrangements in place. Through these, the IJB has access to assurances which support the delivery of high quality care and ensure good governance. These assurances include:

- Quality Strategies
- Policies on raising concerns
- HR Policies
- Safeguarding Policy (Vulnerable Adults)
- Incident reporting and investigation policies and procedures
- Information Governance policies and processes
- Board member visits to service areas ('Deep Dive' activity)
- Staff Surveys
- Joint Staff Forum
- Staff Induction Programmes
- Leadership Programmes
- Performance and Appraisal Development Process
- Compliance reports – health and social care
- Learning lessons systems

The IJB will develop its own assurances over time.

## Engagement

The IJB regards the engagement of its partners and stakeholders in the planning and delivery of services as essential to achieving the goals of integration. The nature and level of engagement varies from group to group and the range of stakeholder with whom the IJB engages is broad, including:

- Service users
- Carers and families
- Staff
- Commissioners
- Other providers in the acute and primary care health and social care sectors
- The independent and voluntary sector



- Housing, education providers, North East Partnership (IJBs)

Engagement will include consultation; communication of information; involvement in decision-making around planning and transforming services; feedback on services and other issues of concern or interest.

The ACHSP Communication and Engagement plan is in place in order to support engagement across these groups, and to provide a source of assurance that appropriate activities have been identified and implemented. It includes consideration of how to engage with hard to reach communities. The plan will include measures to assess its effectiveness over time. These will be reported through the IJB's Executive Group.

### **Newsletters**

Aberdeen City Council Social Care & Wellbeing weekly Bulletin  
Aberdeen CHP newsletter  
Health Village newsletter  
NHSG Team Brief  
Scottish Care newsletter/ e-bulletin  
SHMU community newsletters  
Aberdeen Partnership Newsletter  
ACVO e-bulletin  
VSA Carers News

### **Groups**

Care at Home Providers Group Forum  
Individual Independent providers  
Care and Support Providers Aberdeen  
Individual Third sector providers  
Housing providers / associations  
NHS Grampian Public Forum  
City Voice  
Civic Forum  
Sheltered Housing Network  
Joint Strategy groups  
GP Cluster Management Groups  
Cluster Operational Groups (COGs)  
Implementation Group (CIGs)  
Public Health Co-ordinators Network  
Local Community councils  
Mental Health and Learning Disability forums  
Staff Partnership Forum  
Learning Partnerships

## Other internal and external sources of assurance

In addition to the assurances emanating from the IJB's clinical and care governance framework, and its engagement with partners and stakeholders, there are numerous internal and external sources which relate to the delegated services. These include:

- Internal Audit
- External Audit
- External inspection agencies (Care Inspectorate and Healthcare Improvement Scotland)
- Health and Safety Executive
- Mental Welfare Commission
- Externally commissioned independent investigations e.g. Ombudsman and homicide investigations
- Clinical Audit
- Audit Scotland
- Scottish Council for Voluntary Organisations (SCVO)
- Royal College reviews
- Accreditation
- Information Services Division (ISD) Scotland
- Benchmarking with other health and social care providers
- Involvement in and learning from case reviews
- Voluntary Health Scotland
- Coroner's Inquests


The IJB will also commission external reviews of specific services where the need for additional independent assessments and assurance are identified.



## **Appendices**

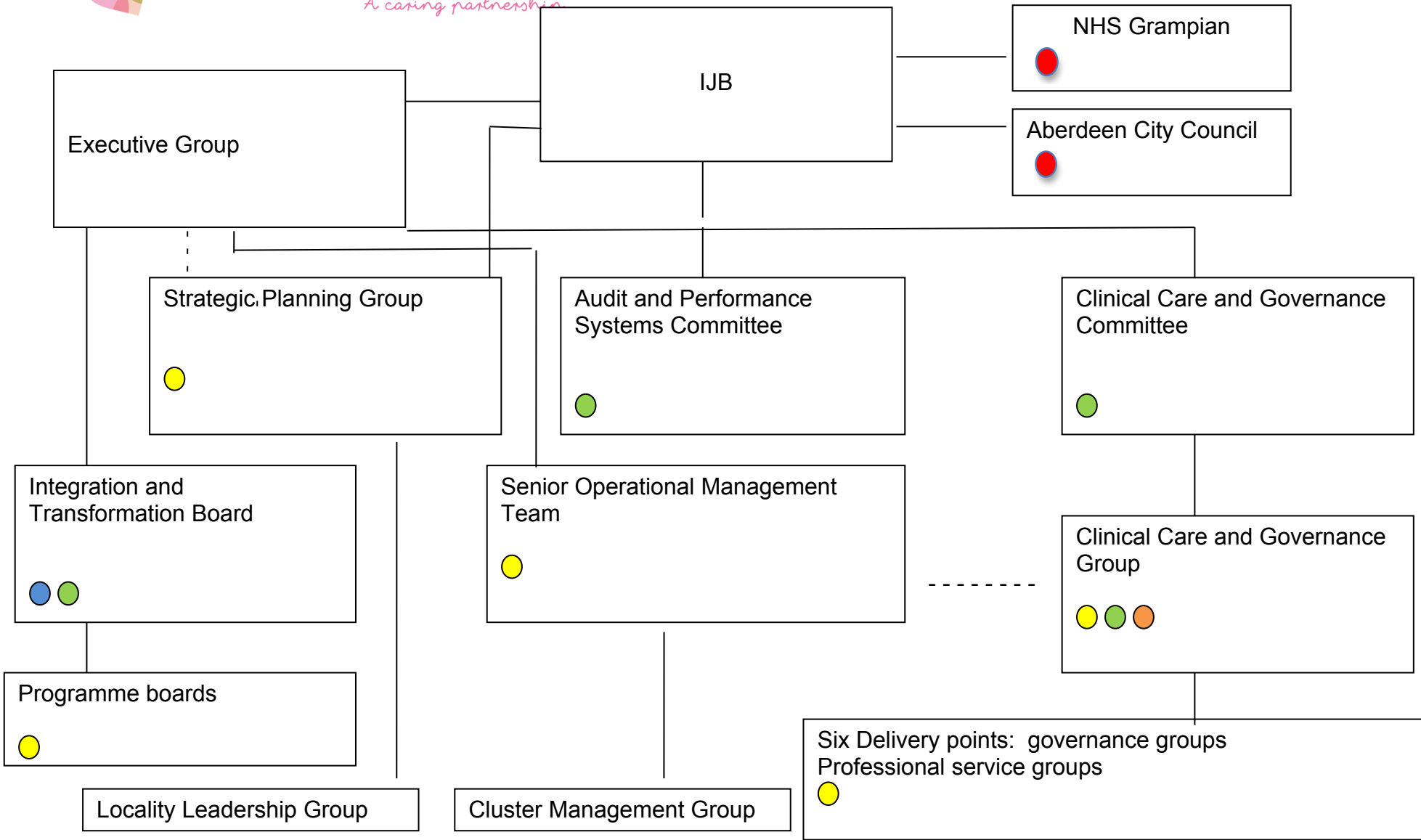
- 1 Strategic Risk Register format
- 2 Committee diagram
- 3 Roles of committees
- 4 Clinical and care governance diagram
- 5 Risk assessment tables
- 6 Risk escalation process
- 7 Cycle of business (to be developed)

## Appendix 1 – Strategic risk register format

Strategic Priority		Risk Lead
Description of Risk		
Risk Rating	Movement 	Rationale for Risk Rating  Rationale for Risk Appetite
Controls		Mitigating Actions
Assurances		Gaps in assurance
Current performance		Comments

# Appendix 2 - Board committee diagram

*A caring partnership*



Key

- Assurance
- Executive
- Operational
- Advisory / information
- Liaison

File location: Executi



### Appendix 3 - Roles of committees

Name of committee or group	Principal function/s	Membership	Reports to	Reports received / reviewed
<b>Executive Group</b>	<p>Robust and effective management processes are required to ensure management oversight of:</p> <ul style="list-style-type: none"> <li>• Care and Clinical Governance</li> <li>• Risk Management and oversight of Service and Corporate Risk Registers</li> <li>• Financial governance and performance oversight</li> <li>• Service performance</li> <li>• Staff governance</li> <li>• Health and Safety</li> <li>• Executive oversight of change programmes</li> <li>• Ensuring IJB's strategic plans are operationalised</li> <li>• Good decision making and development of business cases</li> </ul>	<p>The core membership of the Executive Group will flex over its initial months of operation and this will reflect the longer-term work to develop the integrated management structure for the service. This latter work is underway having been agreed at the sIJB meeting of the 5th of January 2016.</p> <p>The initial core membership is as follows:</p> <ul style="list-style-type: none"> <li>• Chief Officer – chair</li> <li>• Executive Assistant – co-ordinates papers, provides analysis and follows up actions, minutes meeting</li> <li>• Finance Manager(s) – financial reporting and performance</li> <li>• Clinical Lead – Clinical Governance reporting</li> <li>• Head of Operations – Operational performance</li> </ul>	IJB	<p>The following will report as required to the Executive Group:</p> <ul style="list-style-type: none"> <li>• Lead Service Managers - Social Work</li> <li>• Lead Service Managers – Nursing, AHPs, Public Health, Primary Care Development and Intermediate Care and Rehab</li> <li>• Integration Programme Manager</li> <li>• Chief Officers – Moray and Aberdeenshire in relation to performance of 'hosted services'</li> <li>• General Manager Mental Health and Learning Disabilities (NHS)</li> <li>• Designated service health and safety leads</li> <li>• Partnership representatives / trade union representatives</li> <li>• Service Improvement and Quality</li> </ul>

				<ul style="list-style-type: none"> <li>• Chief Social Work Officer</li> <li>• Health Intelligence</li> <li>• Business Managers</li> </ul>
<b>Strategic Planning Group</b>	<p>The role of the Strategic Planning Group is in developing and finalising the strategic commissioning plan and in continuing to review progress, measured against the statutory outcomes for health and wellbeing, and associated indicators.</p> <p>The strategic commissioning plan should be revised as necessary (and at least every three years), with the involvement of the Strategic Planning Group.</p>	<p>Prescribed groups of persons to be represented in strategic planning group:</p> <ul style="list-style-type: none"> <li>• health professionals;</li> <li>• users of health care;</li> <li>• carers of users of health care;</li> <li>• commercial providers of health care;</li> <li>• non-commercial providers of health care;</li> <li>• social care professionals;</li> <li>• users of social care;</li> <li>• carers of users of social care;</li> <li>• commercial providers of social care;</li> <li>• non-commercial providers of social care;</li> <li>• non-commercial providers of social housing; and third sector bodies carrying out activities related to health care or social care.</li> </ul>	Executive Group	Locality Leadership Group
<b>Audit and Performance Systems Committee</b>	<p>To review and report on the relevance and rigour of the governance structures in place and the assurances the Board receives.</p> <p>These will include a risk management system and a performance management system underpinned by an Assurance Framework.</p>	<p>The Committee will be chaired by a non-office bearing voting member of the IJB and will rotate between NHS and ACC. The Committee will consist of not less than 4 members of the IJB, excluding Professional Advisors. The Committee will include at least two voting members, one from Health and one from the Council.</p> <p>The Board Chair, Chief Officer, Chief Finance Officer Chief Internal Auditor and other Professional Advisors and senior officers as required as a matter of course, external audit or other persons shall attend meetings at the invitation of the Committee. The Chief Internal Auditor should normally attend meetings and the</p>	IJB	Annual audit plan

		external auditor will attend at least one meeting per annum.		
<b>Clinical and Care Governance Committee</b>	To provide assurance to the IJB on the systems for delivery of safe, effective, person-centred care in line with the IJB's statutory duty for the quality of health and care services.	<p>The Committee shall be established by the IJB and will be chaired by a voting member of the IJB. The Committee shall comprise of:</p> <ul style="list-style-type: none"> <li>• 4 voting members of the IJB</li> <li>• Chief Officer</li> <li>• Chief Social Work Officer</li> <li>• Chair of the Clinical and Care Governance Group</li> <li>• Chair of the Health and Safety Committee (this group is in development)</li> <li>• Chair of the Joint Staff Forum</li> <li>• Professional Lead – GP</li> <li>• Professional Lead – Nurse/AHP</li> <li>• Director of Public Health or representative</li> <li>• Public Representative</li> <li>• Third sector and Independent Sector representatives</li> </ul>	IJB	CCG Group report Staff Governance Group report
<b>Clinical and Care Governance Group</b>	To oversee and provide a coordinated approach to clinical and care governance issues within the Aberdeen City Health and Social Care Partnership.	<ul style="list-style-type: none"> <li>• Clinical Lead (Chair)</li> <li>• Clinical and Care Governance Lead</li> <li>• Head of Operations</li> <li>• Lead Social Work Manager</li> <li>• Lead Nurse</li> <li>• Public Health Lead</li> <li>• Clinical Governance Coordinator/Facilitator</li> <li>• Patient/Public Representative</li> <li>• Lead Allied Health Professional</li> <li>• GP Representative</li> <li>• Dental Clinical Lead or Dental Service Representative</li> </ul>	Clinical and Care Governance Committee	Reports from services: AHP Dentistry Optometry Pharmacy Nursing Medical Public Health Social Work/Care Woodend Hospital

		<ul style="list-style-type: none"> <li>• Lead Optometrist</li> <li>• Representative from Sexual Health Service</li> <li>• General Practice Patient Safety Lead</li> <li>• Woodend Hospital Representative</li> <li>• Representative from Commissioned Service</li> <li>• Partnership Representative</li> <li>• Representative from Community Mental Health and Learning Disability Services</li> <li>• Representative from Acute Sector</li> </ul>		
<p><b>Locality Leadership Group</b></p>	<p>To deliver the locality planning requirements of the Public Bodies (Joint Working) (Scotland) Act 2014, in respect of the Aberdeen City Health and Social Care Partnership.</p> <p>The Locality Leadership Group will play a key role in ensuring the delivery of the Aberdeen City Health and Social Care Strategic Plan, including contributing to the delivery of its associated strategic outcomes.</p> <p>The role of the Locality Leadership Group will include developing and ensuring appropriate connections and partnerships across the Locality to improve the health and wellbeing of the locality population and reduce the health inequalities that we know impact poorly on people's lives.</p> <p>The locality leadership group will influence, and be influenced by, the</p>	<p>Chair and Vice Chair to be agreed by Group and appointed for a fixed 2-year period.</p> <ul style="list-style-type: none"> <li>▪ Health and Social Care Partnership Locality Manager</li> <li>▪ GP Locality Lead</li> <li>▪ Other GPs (TBC)</li> <li>▪ Representative of Acute Sector (Unit Operational Manager)</li> <li>▪ AHP Representative</li> <li>▪ Nursing Representative</li> <li>▪ Community Mental Health/ LD/ Rehab representation</li> <li>▪ Unscheduled care representative (Out of hours/ A&amp;E)</li> <li>▪ Geriatric Medicine representative</li> <li>▪ Social Care Representative (Bon Accord Care &amp; Adult Social Care)</li> <li>▪ Housing sector representative</li> <li>▪ Third sector representative</li> <li>▪ Independent Sector Representative</li> <li>▪ Carer representative</li> <li>▪ Patient representative</li> <li>▪ Community representatives</li> </ul>	<p>Strategic Planning Group</p>	



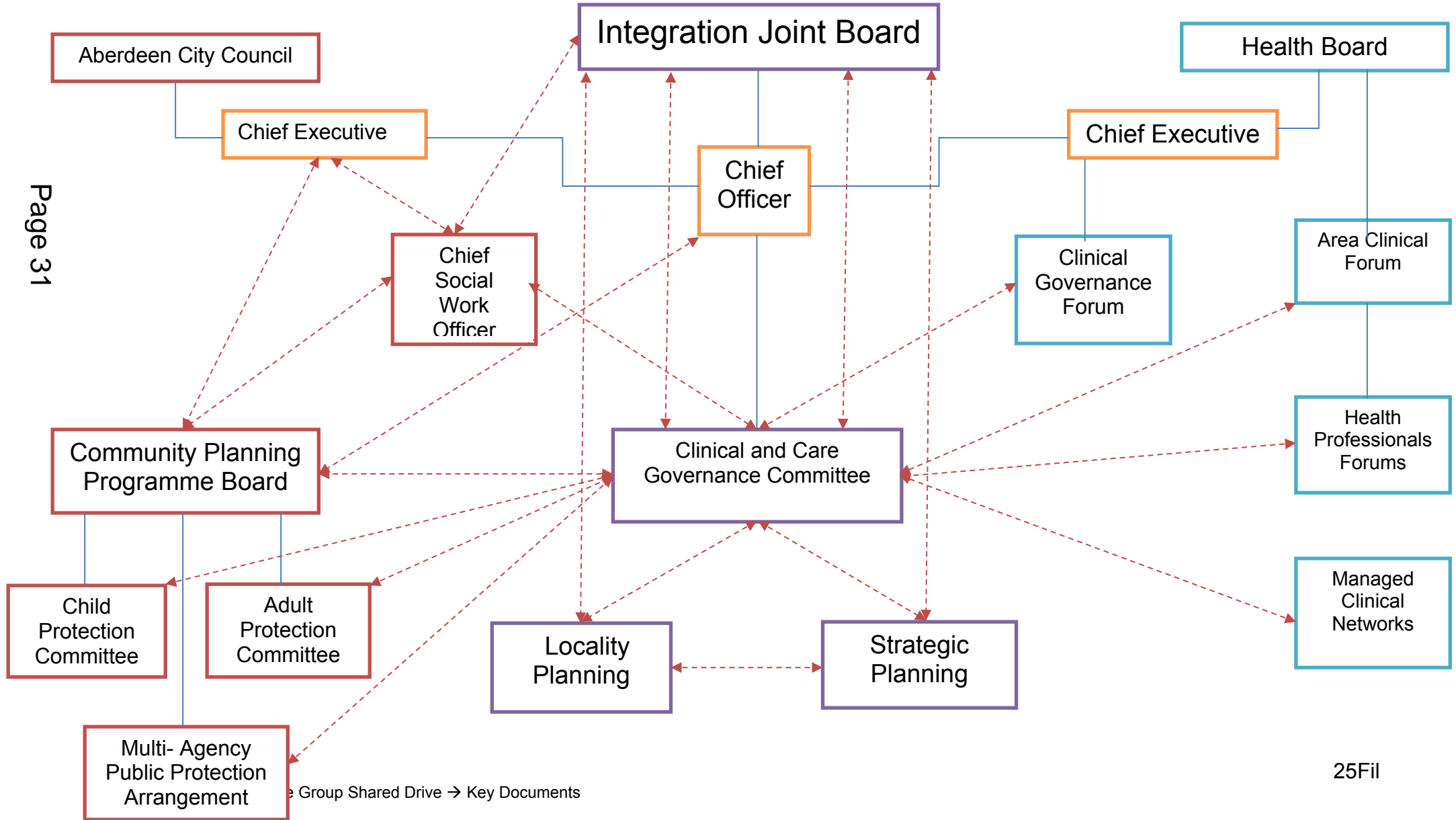
	<p>city's Strategic Planning Group and ultimately the Integration Joint Board.</p> <p>The locality leadership group will also influence and be influenced by Community Planning Partnership processes.</p>	<ul style="list-style-type: none"> <li>▪ People managing services in the locality area</li> </ul> <p>Other locality stakeholders as determined by the group</p> <p>Further to the above membership, the group may arrange reports/ attendance at meetings from non members as required, such as;</p> <ul style="list-style-type: none"> <li>▪ Primary Care Dentistry Locality Representative</li> <li>▪ Primary Care Optometry Locality Representative</li> <li>▪ Primary Care Pharmacy Locality Representative</li> </ul>		
<p><b>Integration and Transformation Programme Board</b></p>	<p>To guide and oversee the delivery of the Integration and Transformation Programme of work.</p> <p>The Integration work streams will ensure the effective delivery of the integration of health and social care services in Aberdeen, as required by the Public Bodies (Joint Working) (Scotland) Act 2014, and as set out in the agreed Integration Scheme.</p> <p>The Transformation work streams will ensure the delivery of the Aberdeen City Health and Social Care Partnership Strategic Plan 2016-19, and the nine national health and wellbeing outcomes. The Transformation agenda will be supported through the appropriate use of the Integrated Care Fund.</p> <p>The role of the programme board</p>	<p>Chair: Integration Lead, Health and Social Care Partnership  Vice Chair: Integrated Localities Programme Manager</p> <ul style="list-style-type: none"> <li>• City Clinical Lead</li> <li>• Representative of Public Health</li> <li>• Representative of Acute Sector</li> <li>• Representative of Primary Care</li> <li>• Representative of Allied Health Services</li> <li>• Representative of Adult Social Care</li> <li>• Representative of Independent Care Sector</li> <li>• Representative of Nursing Services</li> <li>• Representative of Mental Health Services</li> <li>• Representative of Elderly and Rehabilitation Services</li> <li>• Representative of Housing</li> <li>• Representative of Third Sector</li> <li>• Representatives of Local Community (one or two per locality)</li> <li>• Human Resources Representative</li> <li>• Finance Representative</li> </ul>	<p>Executive Group</p>	<p>Locality Leadership Groups Working Groups (to be defined by task)  Other Groups (Elderly &amp; rehab, Mental Health)</p>



	<p>will include developing and ensuring appropriate connections and partnerships across the City to improve the health and wellbeing of the population of Aberdeen and reduce the health inequalities that we know impact poorly on people's lives.</p> <p>The programme board will consider priorities as identified through localities and provide added value and influence strategic decision making in relation to improving health and wellbeing.</p>			
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### Appendix 4 – Clinical and care governance diagram

Page 31



**NHS Scotland Core Risk Assessment Matrices**

**Table 1 - Impact/Consequence Definitions**

Descriptor	Negligible	Minor	Moderate	Major	Extreme
<b>Patient Experience</b>	Reduced quality of patient experience/ clinical outcome not directly related to delivery of clinical care.	Unsatisfactory patient experience/clinical outcome directly related to care provision – readily resolvable.	Unsatisfactory patient experience/clinical outcome, short term effects – expect recovery <1wk.	Unsatisfactory patient experience/ clinical outcome, long term effects –expect recovery >1wk.	Unsatisfactory patient experience/clinical outcome, continued ongoing long term effects.
<b>Objectives/ Project</b>	Barely noticeable reduction in scope, quality or schedule.	Minor reduction in scope, quality or schedule.	Reduction in scope or quality of project; project objectives or schedule.	Significant project over-run.	Inability to meet project objectives; reputation of the organisation seriously damaged.
<b>Injury (physical and psychological) to patient/ visitor/staff.</b>	Adverse event leading to minor injury not requiring first aid	Minor injury or illness, first aid treatment required.	Agency reportable, e.g. Police (violent and aggressive acts). Significant injury requiring medical treatment and/or counselling.	Major injuries/long term incapacity or disability (loss of limb) requiring medical treatment and/or counselling.	Incident leading to death or major permanent incapacity.
<b>Complaints/ Claims</b>	Locally resolved verbal complaint	Justified written complaint peripheral to clinical care.	Below excess claim. Justified complaint involving lack of appropriate care.	Claim above excess level. Multiple justified complaints.	Multiple claims or single major claim. Complex justified complaint.
<b>Service/ Business Interruption</b>	Interruption in a service which does not impact on the delivery of patient care or the ability to continue to provide service.	Short term disruption to service with minor impact on patient care.	Some disruption in service with unacceptable impact on patient care. Temporary loss of ability to provide service.	Sustained loss of service which has serious impact on delivery of patient care resulting in major contingency plans being invoked.	Permanent loss of core service or facility. Disruption to facility leading to significant "knock on" effect.
<b>Staffin and Competence</b>	Short term low staffin level temporarily reduces service quality (< 1 day). Short term low staffin level (>1 day), where there is no disruption to patient care.	Ongoing low staffin level reduces service quality. <b>Minor error</b> due to ineffective training/implementation of training.	Late delivery of key objective/ service due to lack of staff. <b>Moderate error</b> due to ineffective training/ implementation of training. Ongoing problems with staffin levels.	Uncertain delivery of key objective /service due to lack of staff. <b>Major error</b> due to ineffective training/implementation of training.	Non-delivery of key objective/ service due to lack of staff. Loss of key staff. <b>Critical error</b> due to ineffective training / implementation of training.
<b>Financial (including damage/loss/ fraud)</b>	Negligible organisational/ personal financial loss (£-1k).	Minor organisational/ personal financial loss (£1-10k).	Significant organisational / personal financial loss (£10-100k).	Major organisational/personal financial loss (£100k- 1m).	Severe organisational/ personal financial loss (£>1m).
<b>Inspection/Audit</b>	Small number of recommendations which focus on minor quality improvement issues.	Recommendations made which can be addressed by low level of management action.	Challenging recommendations that can be addressed with appropriate action plan.	Enforcement action. Low rating. Critical report.	Prosecution. Zero rating. Severely critical report.
<b>Adverse Publicity/ Reputation</b>	Rumours, no media coverage. Little effect on staff morale.	Local media coverage – short term. Some public embarrassment. Minor effect on staff morale/ public attitudes.	Local media – long-term adverse publicity. Significant effect on staff morale and public perception of the organisation.	National media/adverse publicity, less than 3 days. Public confidence in the organisation undermined. Use of services affected.	National/International media/ adverse publicity, more than 3 days. MSP/MP concern (Questions in Parliament). Court Enforcement. Public Enquiry/FAI.

**Table 2 - Likelihood Definitions**

Descriptor	Rare	Unlikely	Possible	Likely	Almost Certain
<b>Probability</b>	<ul style="list-style-type: none"> <li>Can't believe this event would happen</li> <li>Will only happen in exceptional circumstances.</li> </ul>	<ul style="list-style-type: none"> <li>Not expected to happen, but definite potential exists</li> <li>Unlikely to occur.</li> </ul>	<ul style="list-style-type: none"> <li>May occur occasionally</li> <li>Has happened before on occasions</li> <li>Reasonable chance of occurring.</li> </ul>	<ul style="list-style-type: none"> <li>Strong possibility that this could occur</li> <li>Likely to occur.</li> </ul>	<ul style="list-style-type: none"> <li>This is expected to occur frequently/in most circumstances more likely to occur than not.</li> </ul>

**Table 3 - Risk Matrix**

Likelihood	Consequences/Impact				
	Negligible	Minor	Moderate	Major	Extreme
<b>Almost Certain</b>	Medium	High	High	V High	V High
<b>Likely</b>	Medium	Medium	High	High	V High
<b>Possible</b>	Low	Medium	Medium	High	High
<b>Unlikely</b>	Low	Medium	Medium	Medium	High
<b>Rare</b>	Low	Low	Low	Medium	Medium

References: AS/NZS 4360:2004 'Making It Work' (2004)

**Table 4 - NHSG Response to Risk**

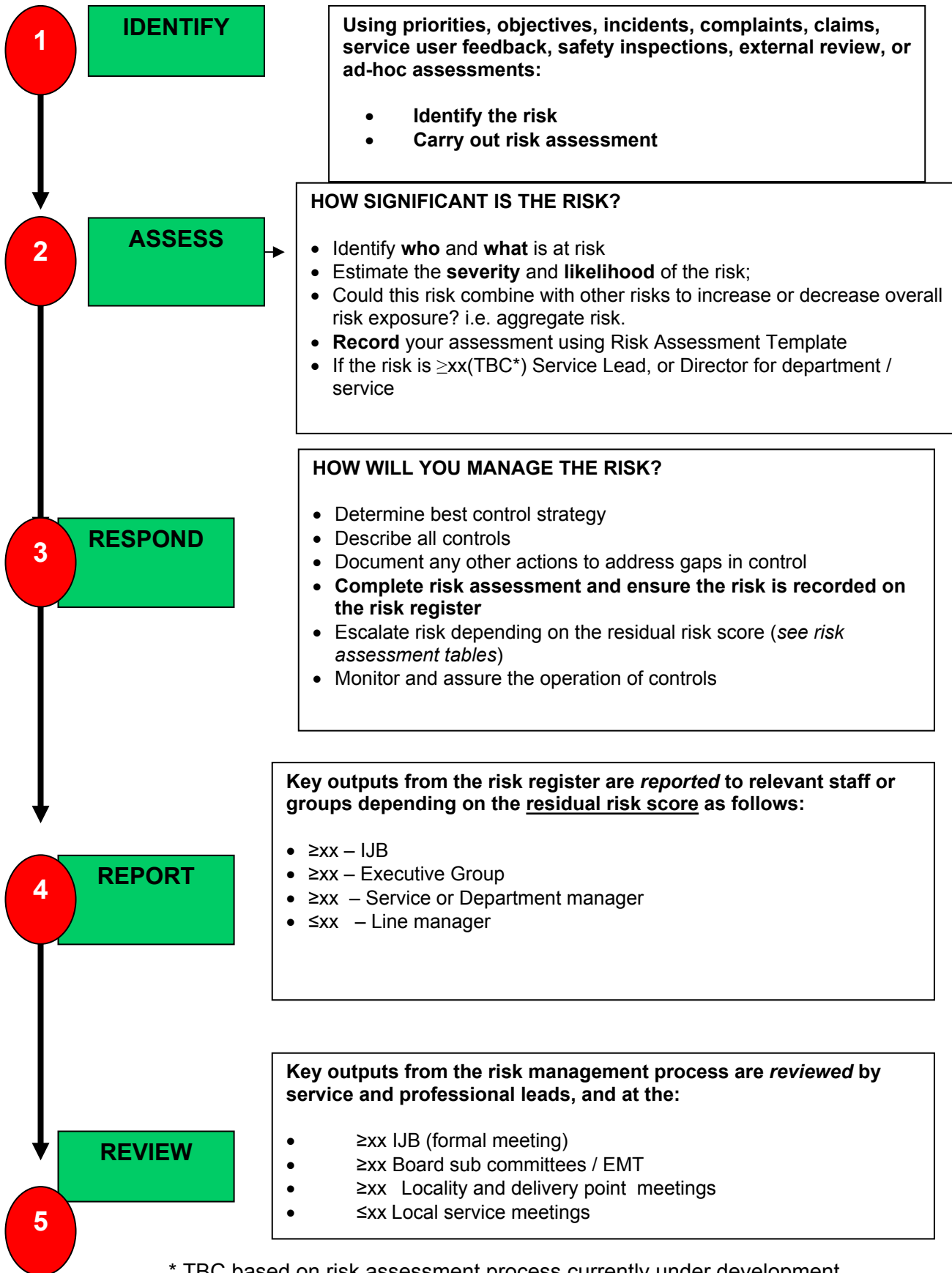
Describes what NHSG considers each level of risk to represent and spells out the extent of response expected for each.

Level of Risk	Response to Risk
<b>Low</b>	Acceptable level of risk. No additional controls are required but any existing risk controls or contingency plans should be documented. Managers/Risk Owners should review these risks applying the minimum review table within the risk register process document to assess whether these continue to be effective.
<b>Medium</b>	Acceptable level of risk exposure subject to regular active monitoring measures by Managers/Risk Owners. Where appropriate further action shall be taken to reduce the risk but the cost of control will probably be modest. Managers/Risk Owners shall document that the risk controls or contingency plans are effective. Managers/Risk Owners should review these risks applying the minimum review table within the risk register process document to assess whether these continue to be effective. Relevant Managers/Directors/Assurance Committees will periodically seek assurance that these continue to be effective.
<b>High</b>	Further action should be taken to mitigate/reduce/control the risk, possibly urgently and possibly requiring significant resources. Managers/Risk Owners must document that the risk controls or contingency plans are effective. Managers/Risk Owners should review these risks applying the minimum review table within the risk register process document to assess whether these continue to be effective. Relevant Managers/Directors/Executive and Assurance Committees will periodically seek assurance that these continue to be effective and confirm that it is not reasonably practicable to do more. The Board may wish to seek assurance that risks of this level are being effectively managed. However NHSG may wish to accept high risks that may result in reputation damage, financial loss or exposure, major breakdown in information system or information integrity, significant incidents(s) of regulatory non-compliance, potential risk of injury to staff and public.
<b>Very High</b>	Unacceptable level of risk exposure that requires urgent and potentially immediate corrective action to be taken. Relevant Managers/Directors/Executive and Assurance Committees should be informed explicitly by the relevant Managers/Risk Owners. Managers/Risk Owners should review these risks applying the minimum review table within the risk register process document to assess whether these continue to be effective. The Board will seek assurance that risks of this level are being effectively managed. However NHSG may wish to accept opportunities that have an inherent very high risk that may result in reputation damage, financial loss or exposure, major breakdown in information system or information integrity, significant incidents(s) of regulatory non-compliance, potential risk of injury to staff and public.





## Appendix 6 – Risk escalation process



\* TBC based on risk assessment process currently under development.

## **Appendix 7 – Cycles of business**

(To be developed)



Aberdeen City Health & Social Care Partnership  
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## **AUDIT AND PERFORMANCE SYSTEMS COMMITTEE**

### **Minute of Meeting**

**10 January 2017**  
**Town House, Aberdeen**

Present: Professor Mike Greaves (NHS Grampian) Chairperson; and Councillors Ironside CBE and Jean Morrison MBE (for items 1-9) (as substitute for Councillor Young); and Rhona Atkinson (NHS Grampian).

Also in attendance: Alex Stephen (Chief Finance Officer, Aberdeen City Health and Social Care Partnership (ACHSCP)), Tom Cowan (Head of Operations, ACHSCP), Kevin Toshney (Acting Head of Strategy and Transformation, ACHSCP), Colin Harvey (Internal Audit), Kenneth O'Brien (Service Manager, ACHSCP) (for item 10), Sarah Gibbon (Executive Assistant, ACHSCP) and Iain Robertson (Clerk, ACC).

Apologies: Councillor Young and Judith Proctor (Chief Officer, ACHSCP).

### **DECLARATIONS OF INTEREST**

1. The Committee were requested to intimate any declarations of interest.

#### **The Committee resolved:-**

To note that no declarations of interest were intimated at this time for items on today's agenda.

### **MINUTE OF PREVIOUS MEETING – 25 October 2016**

2. The Committee had before it the minute of the previous meeting of 25 October 2016.

With reference to item 10 (Transformation Progress Report), Kevin Toshney (Acting Head of Strategy and Transformation, ACHSCP), explained that the Transformation Report would be submitted to the APS Committee on a quarterly basis and a revised format would be presented to the IJB on 31 January 2017.

**The Committee resolved:-**

- (i) to approve the minute as a correct record; and
- (ii) to note the information provided.

**TERMS OF REFERENCE**

3. The Committee had before it the Committee's Terms of Reference for information.

Alex Stephen (Chief Finance Officer, ACHSCP) advised that on 15 November 2016 the IJB approved the recommended change to item 8.13. He explained that the APS Committee had been delegated authority to consider and approve the annual financial accounts.

**The Committee resolved:-**

- (i) to note the Terms of Reference; and
- (ii) to note the information provided.

**BOARD ASSURANCE FRAMEWORK**

4. The Committee had before it the Board Assurance Framework for information.

**The Committee resolved:-**

- (i) to note the Board Assurance Framework; and
- (ii) to request that relevant sections of the Framework be presented in landscape format.

**CORPORATE RISK REGISTER**

5. The Committee had before it the Corporate Risk Register for information.

Alex Stephen (Chief Finance Officer, ACHSCP) advised that no major revisions had been made since the previous meeting on 25 October 2016 and noted that the Executive Team reviewed the content and format of the register on a continual basis. Kevin Toshney highlighted that additional comments had been made to item 1 (Significant Market Failure) of the Strategic Risk Register and noted that item 4 (Hosted Services) of the Strategic Risk Register would have to be updated to include feedback received from the recent Pan-Grampian workshop.

Thereafter the Committee made a number of comments on the Corporate Risk Register:-

With reference to item 3 (IJB Failure to Function) of the Strategic Risk Register, members asked about the recruitment to senior posts within the Partnership. Tom Cowan (Head of Operations, ACHSCP) explained that the Partnership would soon advertise to fill the Head of Locality vacancies and a steering group had been established to recruit officers to the Transformation Team;

With reference to item 7 (Failure to Meet Performance Standards) of the Strategic Risk Register, members requested that officers review the moderate rating assigned to this item. Mr Toshney advised that a paper would be submitted to the IJB on 31 January 2017 on performance, governance and improvement which would present a fuller dashboard within the Partnership's performance management framework and outline performance against the nine national health and wellbeing outcomes;

With reference to item 10 (Locality Working) of the Strategic Risk Register, members highlighted that the risk rating had been assigned as high but the rationale for the risk rating referred to a medium rating. Mr Stephen explained that current arrangements had been assessed as medium risk due to the high level of central control but this rating would be elevated to high risk once locality planning had been implemented. Mr Cowan advised that a balance would have to be struck to ensure that the Partnership's corporate objectives were being met and that locality planning and service delivery reflected the needs of local communities. He added that officers were working on a narrative that would articulate the opportunities and challenges of this approach.

With reference to the Health and Safety strategic priority within the Operational Risk Register, the Chair requested that officers review the *unlikely* rating within the likelihood section on page 69. Mr Cowan advised that the Operational Team would do so and informed members that work was ongoing to strengthen the cohesiveness between the Operational and Strategic Risk Registers.

**The Committee resolved:-**

- (i) to note the Corporate Risk Register; and
- (ii) to request that officers consider the suggested changes to the Corporate Risk Register.

**REVIEW OF STANDING ORDER 10(4)**

6. The Committee had before it a report by the Clerk which reviewed the Committee's decision to suspend standing order 10(4) as per its resolution on 31 May 2016.

**The report recommended:-**

That the Committee agree to implement standing order 10(4) and open Committee proceedings to the public and press.

The Clerk advised that as the Committee's membership had now been consolidated and new powers had been delegated to the Committee to approve the IJB's annual accounts, it would be prudent to open Committee business to external scrutiny.

Thereafter there were questions on how meeting rooms would be set up to accommodate the public; and how the public would be informed that they were welcome to observe but not participate in Committee proceedings.

**The Committee resolved:-**

To agree to implement standing order 10(4) and open Committee proceedings to the public and press.

## **PERIOD 8 FINANCE REPORT**

7. The Committee had before it a report by Alex Stephen (Chief Finance Officer, ACHSCP) which summarised the current year revenue budget performance for the services within the remit of the IJB as at Period 8. And to advise on any areas of risk and management action relating to the revenue budget performance of IJB services.

### **The report recommended:-**

That the Committee note the month 8 position in relation to the IJB budget and the information on areas of risk and management action that was contained therein.

Alex Stephen spoke to the report and advised that further movement was expected on the CareFirst and prescribing budgets. Mr Stephen noted that the Period 9 financial report may corroborate this expectation but did not want to prejudge the accounts. He informed the Committee that he would aim to submit the Period 9 report to the IJB on 31 January 2017.

Thereafter there were questions on prescribing overspends; and the use of Transformation Funding to cover variances in mainstream budgets and its anticipated impact on the Partnership's transformation programme.

### **The Committee resolved:-**

- (i) to note the month 8 position in relation to the IJB budget and the information on areas of risk and management action that was contained therein;
- (ii) to request that narratives in future financial reports be presented in a more tabular format;
- (iii) to revise the heading of the Central Living Wage/Inflation Provision etc on p90 from *underspend* to *overspend*; and
- (iv) to request that officers review the *mitigating actions* in Appendix B to include other possible solutions in addition to monitoring arrangements.

## **DECLARATION OF INTERESTS**

**Councillor Jean Morrison declared an interest in the following item by virtue of her membership of the Disabled Persons Housing Service Board but chose to remain in the meeting**

## **DELAYED DISCHARGE UPDATE**

8. The Committee had before it a report by Kenneth O'Brien (Service Manager, ACHSCP) which provided information to support the Committee's scrutiny of the Partnership's performance and to facilitate further discussion on the current delayed discharge performance information and the current status of the Aberdeen City Delayed Discharge Action Plan – with information on progress and recent developments.

**The report recommended:-**

That the Committee –

- (a) Note the Partnership's current performance in relation to delayed discharges; and
- (b) Note the current status and progress in relation to the Aberdeen City Delayed Discharge Action Plan.

Kenneth O'Brien spoke to the report and outlined the improvement in delayed discharge performance throughout 2016. He advised that since December 2015 there had been a 26% reduction in the number of people delayed and a 16% decrease in the number of bed days lost. Mr O'Brien explained that in comparison to other partnerships, Aberdeen City had improved from having the highest number of delayed discharges in Scotland to the seventh highest. In terms of rate per 100,000 population, Aberdeen City was now ranked 12<sup>th</sup> in Scotland, very close to the national average. Mr O'Brien also highlighted that performance would be fluid throughout the year and delayed discharges may increase in January 2017 due to the winter period. He further advised that continued improvements in performance would become more challenging as the scope for further reductions narrowed.

Thereafter there were questions on the special measures the Scottish Government had previously placed Aberdeen City under in relation to delayed discharge performance; the ongoing bed based review and the challenges of meeting the 72 hour national discharge target; and the ongoing collaboration between the Partnership, the acute sector and housing providers to undertake housing assessments and pilot an interim housing arrangement for service users who otherwise would have remained in an acute setting or been transferred to a long term care facility.

**The Committee resolved:-**

- (i) to note the Partnership's current performance in relation to delayed discharges;
- (ii) to note the current status and progress in relation to the Aberdeen City Delayed Discharge Action Plan; and
- (iii) to thank Kenneth O'Brien and other officers from the Partnership who had contributed to the improvement in delayed discharge performance.

**REPORTS FROM ACC AUDIT, RISK AND SCRUTINY COMMITTEE**

9. The Committee had before it a summary report by Alex Stephen which presented three reports considered by ACC's Audit, Risk and Scrutiny Committee on 24 November 2016.

**The report recommended:-**

that the Committee -

- (a) Note the content of the report at Appendix A: Internal Audit report on self-directed support (SDS);
- (b) Request that the APS Committee would receive update reports on SDS before submitting to the IJB;
- (c) Note the content of the report at Appendix B: Internal Audit report on purchasing and creditors; and

- (d) Note the content of the report at Appendix C: Internal Audit report on the CareFirst System.

Colin Harvey (Internal Audit) advised that the three reports had been considered by the Council's Audit, Risk and Scrutiny Committee on 24 November 2016 and he invited the Committee to challenge issues raised in the reports.

With reference to Self-Directed Support, Mr Harvey explained that the Partnership was moving ahead with recommendations made in the report and the Committee was advised that a number of recommendations identified significant issues within audited areas but found no major issues at a corporate or service level. Thereafter there were questions on the constraints placed on the audit process due to compliance with data protection legislation; and the volume of recommendations relating to practical or procedural matters.

With reference to IJB Purchasing and Creditors, Mr Harvey highlighted two recommendations which identified major issues at a service and corporate level relating to inappropriate tendering in excess of EU thresholds; and the need for controls to ensure authorisation limits were being applied by Processing Officers. Thereafter there were questions on the Partnership's classification of write offs for rental payments and its compliance with the Council's financial procedures; and the controls put in place to mitigate the risk of inappropriate authorisation of payments which would ensure that limits were not exceeded. The Committee sought assurance from officers that financial procedures and EU regulations would not be breached. Alex Stephen advised that the Partnership had been developing protocols such as a scheme of delegation in order to provide the Committee with a degree of assurance.

With reference to CareFirst, Mr Harvey highlighted that minor improvements had been suggested but the audit report was generally positive and recommendations had been taken on board by the Partnership. Alex Stephen explained that a number of recommendations related to the modification of IT systems or were one time issues that were relatively straightforward to resolve or implement.

**The Committee resolved:-**

- (i) to note content of the report at Appendix A: Internal Audit report on self-directed support (SDS);
- (ii) to request that the APS Committee would receive update reports on SDS before submitting to the IJB;
- (iii) to note the content of the report at Appendix B: Internal Audit report on purchasing and creditors;
- (iv) to request updates on the development of protocols that would provide assurance on the Partnership's compliance with financial procedures and EU regulations in relation to the findings presented in the Internal Audit report on purchasing and creditors; and
- (v) to note the content of the report at Appendix C: Internal Audit report on the CareFirst System.

**PROFESSOR MIKE GREAVES, Chairperson.**





Aberdeen City Health & Social Care Partnership  
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# **Aberdeen City Health and Social Care Partnership**

## **Strategic Risk Register 2016/17**



## Risk Summary:

1. There is a risk of significant market failure in Aberdeen City
2. There is a risk of financial failure , that demand outstrips budget and IJB cannot deliver on priorities, statutory work, and project an overspend
3. Failure of the IJB to function, make decisions in a timely manner etc
4. There is a risk that the outcomes expected from hosted services are not delivered and that the IJB does not identify non-performance in through its systems. This risk relates to services that Aberdeen IJB hosts on behalf of Moray and Aberdeenshire, and those hosted by those IJBs and delivered on behalf of Aberdeen City.
5. There is a risk that the governance arrangements between the IJB and its partner organisations (ACC and NHSG) are not robust enough to provide necessary assurance within the current assessment framework – leading to duplication of effort and poor relationships
6. There is a risk that services provided by ACC and NHS corporate services on behalf of the IJB do not have the capacity, are not able to work at the pace of the IJB’s ambitions, or do not perform their function as required by the IJB to enable it to fulfil its functions
7. There is a risk that the IJB and the services that it directs and has operational oversight of fail to meet performance standards or outcomes as set by regulatory bodies
8. There is a risk of reputational damage to the IJB and its partner organisations resulting from complexity of function, delegation and delivery of services across health and social care.
9. Failure to deliver transformation at a pace or scale required by the demographic and financial pressures in the system
10. There is a risk that the IJB does not maximise the opportunities offered by locality working

Risk Rating	Low	Medium	High	Very High
Risk Movement	Decrease	No Change	Increase	



- 1 -

**Description of Risk:** There is a risk of significant market failure in Aberdeen City

**Strategic Priority:** Outcomes, safety and transformation

**Lead Director:** Acting Head of Strategy and Transformation

**Risk Rating:** low/medium/high/very high

**HIGH**

**Rationale for Risk Rating:**

- Previous experience of provider failure in City and wider across Scotland
- Discussion with current providers and understanding of market conditions across the UK
- Impact of Living Wage on profitability depending on some provider models

**Risk Movement:** increase/decrease/no change

**NO CHANGE**

**Rationale for Risk Appetite:**

- 3<sup>rd</sup> and independent sectors key strategic partners in delivering transformation and improved care experience and we have a low tolerance of risk of market failure.

**Controls:**

Robust market and relationship management with the 3<sup>rd</sup> and independent sector and their representative groups, creation of a Head of Strategy and Transformation role as part of the wider strategic transformation programme, market facilitation programme and robust review of all contracts and our commissioning model.

**Mitigating Actions:**

- Creation of capacity and capability to manage and facilitate the market
- Development of provider forum to support relationship and market management
- Risk fund set aside with transformation funding
- Additional SG funding toward the Living Wage and Fair Working Practices have been agreed and applied by the IJB

**Assurances:**

**Gaps in assurance:**



<p>Market management and facilitation Audit and Performance Systems Committee overview</p>	<p>Market or provider failure can happen quickly despite good assurances being in place</p>
<p><b>Current performance:</b></p> <p>No current issues to report</p>	<p><b>Comments:</b></p> <ul style="list-style-type: none"> <li>• NCHC uplift for 2016/17 was 6.4% (2.5% on 01/04 &amp; 3.9% on 01/10).</li> <li>• IJB agreed payment of living wage to Care at Home providers in September 2016 however there were some initial difficulties with the enhanced payments to some providers.</li> <li>• KT contracted to Spring 2016 to programme manage development of commissioning plan and market facilitation plan.</li> <li>• Market Facilitation steering group established September 2016; membership includes ACVO, CASPA and Scottish Care.</li> <li>• Commissioning plan work streams and associated leads have been identified.</li> <li>• Executive group agreed that current Care at Home contracts which expire 12/17 should be retendered at appropriate time.</li> <li>• IJB agreed (15/11/16) that drugs and alcohol contracts are to be retendered; contracts will be synchronised and effective as of 01/09/2017</li> <li>• Currently engaged in discussion with National Chief Officer group on negotiations on 17/18 National Care Home Contract uplift using the Cost of Care Calculator to assist in this process</li> </ul>



-2-	
<p><b>Description of Risk:</b> There is a risk of IJB financial failure with demand outstripping available budget. There is a risk that the IJB cannot deliver on priorities and statutory work, and that it projects an overspend.</p>	
<p><b>Strategic Priority:</b> Outcomes and transformation</p>	<p><b>Lead Director:</b> Chief Finance Officer</p>
<p><b>Risk Rating:</b> low/medium/high/very high</p> <div style="background-color: yellow; text-align: center; padding: 5px;"><b>MEDIUM</b></div> <p><b>Risk Movement:</b> increase/decrease/no change:</p> <div style="background-color: orange; text-align: center; padding: 5px;"><b>NO CHANGE</b></div>	<p><b>Rationale for Risk Rating:</b></p> <ul style="list-style-type: none"> <li>• Analysis of demographic change and growth in demand year on year</li> <li>• Analysis of current budget pressures known and expected in the Public Sector in Scotland and the UK</li> <li>• Understanding of financial pressures on both partner organisations (ACC and NHS Grampian)</li> </ul> <p><b>Rationale for Risk Appetite:</b></p> <p>The IJB has a low risk appetite to financial failure and understands its requirement to achieve a balanced budget. However the IJB also recognises the significant range of statutory services it is required to meet within that finite budget and has a lower appetite for risk of harm to people.</p>
<p><b>Controls:</b></p> <p>Chief Finance Officer has been appointed and this role is important in ensuring sound financial information and supporting sound financial decision making, Budget reporting and escalation. There is an Integration Scheme in place with provision for the management of finances in partners with ACC and NHS Grampian and a Strategic plan and Transformational Commissioning plan agreed by the IJB in April 2016. Transformational plans include</p>	<p><b>Mitigating Actions:</b></p> <p>NHS and ACC will ‘underwrite’ the IJB’s budget in year 1 of its formal operation – however this needs to be seen in the context of the pressures on those partners’ budgets. Whilst the IJB has agreed a forward Transformational plan, there is a risk that we are unable to deliver transformation and efficiencies at the pace required.</p> <p><b>Financial information is reported regularly to both the Audit &amp; Performance Systems Committee, the Integration Joint Board and the Executive Team.</b></p>



investment to save over a three year period.	
<b>Assurances:</b> <ul style="list-style-type: none"><li>• Audit and Performance Systems Committee oversight and scrutiny of budget under the CFO</li><li>• Board Assurance Framework.</li></ul>	<b>Gaps in assurance:</b> <ul style="list-style-type: none"><li>• None known</li></ul>
<b>Current performance:</b> <p>Pressure on the prescribing budget of approximately £1.3 million causing some concern. This has been balanced by using funds from the transformation fund, whilst officers review the issue and develop a recovery plan.</p>	<b>Comments:</b> <ul style="list-style-type: none"><li>• Regular and ongoing budget reporting and tight management control in place</li></ul>



- 3 -

**Description of Risk:** There is a risk that the IJB fails to function properly within its Integration Scheme, Strategic Plan and Schemes of delegation in particular reference to being able to make appropriate decisions in a timely manner and meet its required functions.

**Strategic Priority:** Outcomes, safety and transformation

**Lead Director:** Chief Officer

**Risk Rating:** low/medium/high/very high

**MEDIUM**

**Rationale for Risk Rating:**

Failure of the IJB to function is a fundamental risk which would impact on all strategic priorities. Capacity of Executive Group while recruitment to full complement in structure, a potential risk

**Risk Movement:** increase/decrease/no change

**NO CHANGE**

**Rationale for Risk Appetite:**

Zero appetite.

**Controls:**

- Experience of operating in shadow form
- Agreed etiquette of the board and risk appetite statement allowing for balance of timely decision taking with effective challenge and scrutiny
- Performance reporting mechanisms

**Mitigating Actions:**

- Recruiting to further senior posts in the structure.
- Operation of Executive team focussing on priorities
- **A review of the standing orders has been commissioned**

**Assurances:**

- Board Assurance Framework
- Audit & Performance Systems Committee

**Gaps in assurance:**

- None known

**Current performance:**

- Meeting requirements
- Increasing workload experienced following 'go live' and in

**Comments:**

- The process for agreeing and then recruiting into senior posts in the structure has, by necessity, to go at the pace of the



relation to need to support IJB's committees – being mitigated by further recruitment to senior posts The Partnership will soon be able to advertise to fill Head of Locality Vacancies

- Steering group has been established to recruit officers to the Strategy and Transformation Team

partner organisations. This has extended the process and has meant that key posts are either just now being recruited to, or yet to be advertised;

- Given governance to agree certain senior posts within ACC has to report to Finance Policy and Resources Committee there is a risk of disagreement to establish and the impact of this on the IJB and its decision making is untested.





- 4 -

**Description of Risk:** There is a risk that the outcomes expected to be delivered by hosted services are not realised and that the IJB fails to identify non-performance through its own systems. This risk relates to services that Aberdeen IJB hosts on behalf of Moray and Aberdeenshire, and those hosted by those IJBs and delivered on behalf of Aberdeen City.

**Strategic Priority:** Outcomes and transformation

**Lead Director:** Chief Officer

**Risk Rating:** low/medium/high/very high

**MEDIUM**

**Rationale for Risk Rating:**

- Considered medium risk due to the reporting arrangements being relatively new and needing testing in the first full year of operation

**Rationale for Risk Appetite:**

- The IJB has some tolerance of risk in relation to testing change.

**Risk Movement:** (increase/decrease/no change):

**NO CHANGE**

**Controls:**

- Integration scheme agreement on cross-reporting
- NE Strategic Partnership Group
- Operational risk register

**Mitigating Actions:**

- This is discussed regularly by the three North East Chief Officers
- Regular discussion regarding budget with relevant finance colleagues

**Assurances:**

Audit & Performance Systems Committee

**Gaps in assurance:**

None currently known



**Current performance:**

No issues to report

**Comments:**

- A meeting of the senior management teams of the three North East Scotland Health and Social Care Partnerships took place in December 2016 in order to establish the operating principles and processes for reporting outcomes from hosted services and governance to IJBs
- Further meetings are planned across the year to ensure flow of communication and establish practice of reporting on hosted services



- 5 -

**Description of Risk:** There is a risk that the governance arrangements between the IJB and its partner organisations (ACC and NHSG) are not robust enough to provide necessary assurance within current assurance framework – leading to duplication of effort and poor relationships.

**Strategic Priority:** Outcomes, safety and transformation

**Lead Director:** Chief Officer

**Risk Rating:** low/medium/high/very high

**MEDIUM**

**Rationale for Risk Rating:**

Considered medium as arrangements are complex and mitigations untested in the 'go live' environments

**Risk Movement:** (increase/decrease/no change)

**NO CHANGE**

**Rationale for Risk Appetite:**

The IJB has zero appetite for failure to meet its statutory requirements.

**Controls:**

- Scheme of delegation
- Integration Scheme
- Current governance committees within IJB and NHS
- North East Strategic Partnership Group

**Mitigating Actions:**

- Consultation and engagement between bodies
- Consideration being given by Chief Officers regarding development of Service Level Agreements or other mechanism

**Assurances:**

- Agreement on regular reporting on hosting at each IJB
- Regular Chief Officer meetings across Grampian area
- Chief Officer a member of both NHS Grampian Senior Leadership Team and Aberdeen City Council's Corporate Management Team

**Gaps in assurance:**

- Potential gaps around standard interpretation of schemes



**Current performance:**

- No current issues to report

**Comments:**

- Regular performance meetings between the Chief Officer and the Chief Executives of NHS Grampian and Aberdeen City Council take place
- Reporting template has been agreed to ensure a consistency of reporting and clear 'line of sight' to Accountable Officers
- A Protocol for budget setting has been developed to assist in this complex process and was tested for the first time for the 17/18 budget



- 6 -

**Description of Risk:** There is a risk that the services provided by ACC and NHS Corporate Services on behalf of the IJB do not have the capacity or are unable to work at the pace of the IJB's ambitions. There is a further risk that they are unable to perform their function as required by the IJB to enable it to fulfil its functions.

**Strategic Priority:** Outcomes and service transformation

**Lead Director:** Chief Officer

**Risk Rating:** low/medium/high/very high

**HIGH**

**Rationale for Risk Rating:**

- Given the wide range and variety of services that support the IJB from NHS Grampian and ACC there is a possibility of under or non-performance
- Depending on which area this is in (e.g. corporate finance, legal services) the consequences are considered significant

**Risk Movement:** *(increase/decrease/no change)*

**NO CHANGE**

**Rationale for Risk Appetite:**

There is a zero tolerance in relation to not meeting legal and statutory requirements.

**Controls:**

- IJB Strategic Plan
- IJB Integration Scheme
- Agreed risk appetite statement
- Role and remit of the North East Strategic Partnership Group in relation to shared services

**Mitigating Actions:**

- Regular reporting at both Executive Management Team and Senior Operational Management team
- Regular and ongoing Chief Officer membership of ACC Corporate Management Team and NHS Grampian Senior Leadership Team
- Consideration in relation to Service Level Agreements being undertaken by the 3 North East Chief Officer.
- Creation of Business Management Team with the partnership with representatives from all corporate services.



<p><b>Assurances:</b></p> <ul style="list-style-type: none"><li>• Executive Group reviews performance of corporate services' support regularly</li><li>• Chief Finance officer role ensure liaison in relation to financial services</li><li>• Chief Officer regularly discusses these service provisions with Corporate Directors</li></ul>	<p><b>Gaps in assurance:</b></p> <ul style="list-style-type: none"><li>• None currently significant though note consideration relating to possible future Service Level Agreements</li></ul>
<p><b>Current performance:</b></p> <ul style="list-style-type: none"><li>• No issues to highlight</li></ul>	<p><b>Comments:</b></p> <ul style="list-style-type: none"><li>• Nothing to update on this report.</li></ul>



- 7 -

**Description of Risk:** There is a risk that the IJB and the services that it directs and has operational oversight of fail to meet performance standards or outcomes as set by regulatory bodies and that, as a result, harm or risk of harm to people occurs.

**Strategic Priority:** Outcomes, safety, transformation of services

**Lead Director:** Chief Officer

**Risk Rating:** low/medium/high/very high

**MEDIUM**

**Rationale for Risk Rating:**

Risk felt to be moderate, given controls with potential risks in need of mitigation due to go-live implications

**Risk Movement:** *(increase/decrease/no change)*

**NO CHANGE**

**Rationale for Risk Appetite:**

The IJB has zero tolerance of harm happening to people as a result of its actions or inaction.

**Controls:**

- Clinical and Care Governance Committee and Group Audit and Performance Systems Committee
- Risk-assessed performance plans and actions
- Development of KPIs reported

**Mitigating Actions:**

System re-design and transformation

**Assurances:**

- Executive Group reviews processes and performance regularly
- Joint meeting of IJB Chief Officer with two Partner Body Chief Executives
- Audit & Performance Systems Committee
- Clinical and Care Governance Committee

**Gaps in assurance:**

- Formal performance systems not yet developed.
  - Audit & Performance Systems Committee meets regularly and is establishing reporting mechanisms
- Intelligent Board performance model has been agreed and is being populated



**Current performance:**

Council and NHS performance systems remain in place with single reporting in development.

**Comments:**

- Clinical and Care Governance Committee and Group have been established and are meeting regularly
- Further work with the Good Governance Institute is supporting us in testing our processes robustly as a live organisation to ensure they are fit for purpose
- Action plan following last year's formal Inspection of Services for Older People has been agreed and approved by both the IJB and Inspection agencies
- Establishing reporting and assurance mechanisms for hosted and commissioned services





- 8 -

**Description of Risk:** There is a risk of reputational damage to the IJB and its partner organisations resulting from complexity of function, delegation and delivery of services across health and social care.

**Strategic Priority:** All

**Lead Director:** Chief Officer

**Risk Rating:** low/medium/high/very high

**HIGH**

**Rationale for Risk Rating:**

Newness of the organisation and agenda for system transformation pose risk of reputational damage

**Risk Movement:** (increase/decrease/no change)

**NO CHANGE**

**Rationale for Risk Appetite:**

Willing to risk certain reputational damage if rationale for decision is sound.

**Controls:**

- Executive Management Team
- IJB and its Committees
- Operational management processes and reporting
- Board escalation process

**Mitigating Actions:**

- Clarity of roles
- Staff and customer engagement
- Effective performance and risk management

**Assurances:**

- Role of the Chief Officer and Executive Team
- Role of the Chief Finance Officer
- Performance relationship with NHS and ACC Chief Executives
- Communications plan / communications officer

**Gaps in assurance:**

None known at this time

**Current performance:**

- Chief Finance Officer appointed on a permanent basis
- Communications officer in place to lead reputation

**Comments:**

- Communications strategy and action plan in place and being led by the HSCP's Communications Manager



management

- Communications Group in place comprising of staff across the partnership supporting us in getting the message right and appropriate
- Locality leadership groups being established to build our relationship with communities and stakeholders
- Regular CO/CEOs meeting supports good communication flow across partners as does CO's membership of the Corporate Management Teams of both ACC and NHSG



<b>Description of Risk:</b> Failure to deliver transformation at a pace or scale required by the demographic and financial pressures in the system	
<b>Strategic Priority:</b> All	<b>Lead Director:</b> Chief Officer
<b>Risk Rating:</b> low/medium/high/very high <div style="background-color: red; color: white; text-align: center; padding: 5px;"><b>HIGH</b></div>	<b>Rationale for Risk Rating:</b> This is the overall risk – each of our transformation programme work streams will also be risk assessed with some programmes being a higher risk than others  <b>Rationale for Risk Appetite:</b> The IJB has some appetite for risk relating to testing change and being innovative. The IJB has zero appetite for harm happening to people.
<b>Risk Movement:</b> <i>(increase/decrease/no change)</i> <div style="background-color: yellow; text-align: center; padding: 5px;"><b>NO CHANGE</b></div>	
<b>Controls:</b> <ul style="list-style-type: none"> <li>• Strategic Transformation and Commissioning programme management and governance</li> <li>• Audit and Performance Systems Committee</li> <li>• Transformation programme board in place</li> <li>• Recruitment to key senior posts agreed</li> </ul>	<b>Mitigating Actions:</b> <ul style="list-style-type: none"> <li>• Programme approach being taken in terms of the transformation programme</li> <li>• Recruitment taking place into senior and key project and programme management posts</li> <li>• Regular reporting to Executive Management Group</li> <li>• Regular reporting to Audit and Performance Systems Committee</li> </ul>
<b>Assurances:</b> <ul style="list-style-type: none"> <li>• Executive Management and Committee Reporting</li> <li>• Programme Management approach</li> <li>• IJB oversight</li> </ul>	<b>Gaps in assurance:</b> <ul style="list-style-type: none"> <li>• Executive Management team developing financial model for transformation programme to track delivery of change and efficiencies – this is in developing and as</li> </ul>



- Board escalation process
- 

such, a gap.

**Current performance:**

No issues to report

**Comments:**

- Challenge of pace of recruitment to key posts given complexity of working across two systems has had an impact on pace
- A review of the transformation programme and governance arrangements is being undertaken.



<b>Description of Risk</b> There is a risk that the IJB does not maximise the opportunities offered by locality working	
<b>Strategic Priority:</b> All	<b>Lead Director:</b> Chief Officer
<b>Risk Rating:</b> low/medium/high/very high <div style="background-color: yellow; text-align: center; padding: 5px;"><b>MEDIUM</b></div>	<b>Rationale for Risk Rating:</b> Considered medium in relation to ability to work at the pace required until all senior and locality posts recruited to in the new structure  <b>Rationale for Risk Appetite:</b> The IJB has some appetite to risk in relation to testing innovation and change. There is zero risk of financial failure or working out with statutory requirements of a public body.
<b>Risk Movement:</b> <i>(increase/decrease/no change)</i> <div style="background-color: yellow; text-align: center; padding: 5px;"><b>NO CHANGE</b></div>	
<b>Controls:</b> <ul style="list-style-type: none"> <li>Transformation programme and programme board</li> <li>Audit and Performance Systems Committee</li> </ul>	<b>Mitigating Actions:</b> <ul style="list-style-type: none"> <li>There is a localities development programme manager in place supporting this work</li> <li>Agreed operational structure that reflects the importance of localities and roles which support transformational potential of working at this level</li> </ul>
<b>Assurances:</b> <ul style="list-style-type: none"> <li>Regular Transformational Programme Board reports to Executive Management Team and to Audit and Performance Systems Committee</li> <li>Programme Management approach</li> <li>Agreement to recruit to Director of Strategy and Transformation role which will lead on the transformation at</li> </ul>	<b>Gaps in assurance</b> <ul style="list-style-type: none"> <li>None currently known</li> </ul>



Executive level	
<b>Current performance:</b> <ul style="list-style-type: none"> <li>Programme agreed at April's IJB and current milestones being met</li> </ul>	<b>Comments:</b> <ul style="list-style-type: none"> <li>Advertising for Locality Lead posts in Feb 2017 – successful recruitment will escalate pace</li> </ul>

## Appendix 5: The IJBS Risk Appetite

<b>Level of Risk</b>	<b>Risk Tolerance</b>
<b>Low</b>	<p>Acceptable level of risk. No additional controls are required but any existing risk controls or contingency plans should be documented.</p> <p>Chief Officers/Managers/Risk Owners should review these risks applying the minimum review table within the risk register process document to assess whether these continue to be effective.</p>
<b>Medium</b>	<p>Acceptable level of risk exposure subject to regular active monitoring measures by Managers/Risk Owners. Where appropriate further action shall be taken to reduce the risk but the cost of control will probably be modest. Managers/Risk Owners shall document that the risk controls or contingency plans are effective.</p> <p>Chief Officers/Managers/Risk Owners should review these risks applying the minimum review table within the risk register process document to assess whether these continue to be effective.</p> <p>Relevant Chief Officers/Managers/Directors/Assurance Committees will periodically seek assurance that these continue to be effective.</p>



**High**

Further action should be taken to mitigate/reduce/control the risk, possibly urgently and possibly requiring significant resources. Chief Officers/Managers/Risk Owners must document that the risk controls or contingency plans are effective. Managers/Risk Owners should review these risks applying the minimum review table within the risk register process document to assess whether these continue to be effective.

Relevant Chief Officers/Managers/Directors/Executive and Assurance Committees will periodically seek assurance that these continue to be effective and confirm that it is not reasonably practicable to do more. The IJB's may wish to seek assurance that risks of this level are being effectively managed.

However the IJB's may wish to accept high risks that may result in reputation damage, financial loss or exposure, major breakdown in information system or information integrity, significant incidents(s) of regulatory non-compliance, potential risk of injury to staff and public

**Very High**

Unacceptable level of risk exposure that requires urgent and potentially immediate corrective action to be taken. Relevant Chief Officer/Managers/Directors/Executive and Assurance Committees should be informed explicitly by the relevant Managers/Risk Owners.

Managers/Risk Owners should review these risks applying the minimum review table within the risk register process document to assess whether these continue to be effective.

The IJB's will seek assurance that risks of this level are being effectively managed.

However the IJB's may wish to accept opportunities that have an inherent very high risk that may result in reputation damage, financial loss or exposure, major breakdown in information system or information integrity, significant incidents(s) of regulatory non-compliance, potential risk of injury to staff and public

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Strategic Priority	Description of Risk	Context	Impact	Date Last Assessed	Controls	Gaps in Control	Likelihood	Consequences	Risk Assessment	Assurances	Risk Owner/Handler	Comments
Workforce	The is a risk that the Partnership will not have the supply and quality of workforce to meet operational requirements	A combination of demographic, labour market and transformational change is currently putting some aspects of operational delivery under strain, but conversely impacting positively in other areas. These factors vary by discipline and sector. As we bring together two organisations, disparities between pay and grading structures will become more apparent which may lead to discontent. Key areas of current concern reported in Dec 2016 regarding recruitment are: Community services: Primary care -GPs; Nursing - HV and DN; AHPs: SLT, Physiotherapy,Podiatry; MH/LD (community) - Consultant and Nursing; Social Care - Care management; Woodend - General nursing and Medical staffing/MSN cover ; MH/LD (hosted)- Consultant,Nursing and SLT. High use of bank/agency at Woodend and in MH/LD to cover essential shifts (see service summaries for more detail)	Unable to deliver core services - including statutory responsibilities and national local targets. Risk of harm/ adverse conditional for those using Partnership services, alongside reputational damage. Lack of capacity could have an adverse effect on strategic priorities and transformational change.	14.12.16	Established workforce place in some operational areas and new workforce plans being developed to link in to developing structures . Mechanism for staff communication and feedback. Recruitment and Retention initiatives. Support Mechanisms for employee health and wellbeing. Established support for training and development of staff.	Lack of consistency in strategic workforce planning which is linked to the transformation agenda for the partnership. Ongoing challenges around harmonising workforce development, recruitment and retention across two distinct organisations. Lack of joined up terms, conditions and remuneration (not currently possible due to legislative context). Lack of consistent monitoring of sickness absence and staff turnover.	Possible	Moderate	Medium	Standing item on monthly SOMT agenda. Changes in Risk register reported by Director of Operations (DOO) to Chief Officer (CO) through Executive Group Changes in risk register reported by DOO to Audit and Performance Systems Committee and report to IJB. Any clinical and care risks that arise as a result of infrastructure would also be reported to the Clinical and Care Governance Committee. Clinical and Care Governance reports risks (including those arising from infrastructure) to the IJB outwit meeting structures CO will appraise Chair/Vice Chair of IJB of any significant changes to risk register.	DOO	Harmonising terms and conditions is not possible within the current scope of the partnership.
Workforce	There is a risk of challenge with regard to staff working under the different terms and conditions of the partner organisations		Potential unrest between staff which could impact on team working and morale	01.09.16	New external staff can choose which terms and conditions they work under. Existing staff are protected (and restrained) by the current matching process.	As teams become more integrated, the differences between terms & conditions become more apparent	Possible	Major	High	Joint working group set up who are working well together. The group is looking at job matching/profiling and is pulling a paper together to help managers who will potentially have to manage staff with terms and conditions that the manager is not familiar with	Judith Proctor	
External Provision	There is a risk that the partnership will be unable to commission the range of external provision required to provide safe and effective services.	A combination of demographic, labour market and economic factors mean that the social care market is currently unable to supply the level of care required. The downturn in the oil industry is yet to affect this market. The current market is already fragile with providers leaving the market.	Unable to deliver the range and level of care services required in the city. The fragile market puts new providers off coming into the city.This impacts negatively on Delayed Discharge figures, general patient flow and national and local targets and increases adverse public protection and other risks.		1. Care Academy 2. Working with providers to look at different models of care delivery. 3. Community Capacity Building (ABCD) 4. Living Wage + ongoing scrutiny of current commissioned rates. 5. Active market management.	We lack control over the local economy that would make Aberdeen a more attractive place to be a paid carer.  Ongoing difficulties in selling caring as a career option.  Community Capacity Building is in its infancy and is likely only to yield 'control' dividends in the medium/long term.  Financial resources to support market (living wage and other) are finite, and may not reflect current cost pressures and needs.	Possible	Major	High	Regular monitoring of current market and provider status via contract arrangements.  Changes in Risk register reported by Director of Operations (DOO) to Chief Officer (CO) through Executive Group  Changes in Risk register reported by DOO to Audit and Performance committee  Audit and Performance committee report to IJB.  Outwith meeting structures CO will appraise Chair/Vice Chair of IJB of any significant changes to the risk register	Director of Joint Operations	Recognised that although external provision is being risk assessed globally. Some sectors and areas of the various markets will exhibit greater fragility and risk then others.

Strategic Priority	Description of Risk	Context	Impact	Date Last Assessed	Controls	Gaps in Control	Likelihood	Consequences	Risk Assessment	Assurances	Risk Owner/Handler	Comments
	There is a risk of a GP practice/s ceasing the provision of General Medical Services (example of Brimmond MG in 2015)	<p>A number of factors conspire to challenge the sustainability of General Practice, including GP + Nurse retirements, workforce availability, increasing demand, small business model, evergreen mortgages. There is an increasingly complex mixed economy of ownership models by GP's (third party developments +Hubco).</p> <p>Restrictions of current GMS legal regulations reduces the potential pool of providers.</p> <p>Review of dispensing GP Practices which (if dispensing is withdrawn) will further impact on viability of a City practice with a branch surgery in Aberdeenshire.</p>	<p>The statutory duty to provide General Medical Services will be compromised if there is additional failure. If another independent entity cannot be secured to deliver essential medical services, technically NHS Grampian, through the Partnership, would be expected to take over the service directly – ie. provide a salaried service. The challenges facing the Partnership in securing workforce would be the same as those facing a GP practice.</p> <p>There is also likely to be significant reputational harm and public/political anxiety related to any service failures.</p>		<p>Connected into system wide recruitment initiatives. Strong Primary Care Development Team, working in tandem with GP Clinical Leads. Good working relationships and links with local practices – issues brought to light through team. Commitment by Partnership to ongoing modernisation and transformation in primary care which is ongoing. National contract negotiations for GP's ongoing - to potentially relieve existing pressures. Scottish School of Primary Care now live and supporting new models of care - including training/development/governance. (Links with national workforce initiatives).</p>	<p>Independent contractor status – we do not have direct control; we do not have access to practice accounts / business situation. (looming crisis not always apparent). Many of the current controls are long-term in regards to their potential ability to ameliorate the risks involved. Some elements encouraging retirements (SPPA) are outside of Partnership control. Revalidation for GP's to maintain GMC registration is not attractive, post-retirements, but not locally controllable.</p>	Possible	Major	High	<p>Regular monitoring of GP status via Primary Care Development Team.</p> <p>Changes in Risk register reported by Director of Operations (DOO) to Chief Officer (CO) through Executive Group</p> <p>Changes in Risk register reported by DOO to Audit and Performance committee.</p> <p>Audit and Performance committee report to IJB.</p> <p>Outwith meeting structures CO will appraise Chair/Vice Chair of IJB of any significant changes to the risk register.</p> <p>Any clinical and care risks that arise as a result of GP practice failure would also be reported to the Clinical and Care Governance committee Clinical and Care Governance Committee reports clinical and care governance risks (including those arising from infrastructure) to the IJB</p>	Director of Joint Operations	
<b>Infrastructure</b>	There is a risk that the infrastructure to support operational requirements fails or is inadequate	<p>Infrastructure required to support operational services delivery includes: IT systems and supporting processes including information sharing and premises.</p> <p>The infrastructure is largely that which is provided by ACC and NHSG.</p> <p>The inherited IT infrastructure has significant gaps to support service functions and to enable robust data collection and reporting against local and national outcomes/targets</p> <p>A robust IT platform is essential to support integrated working and information sharing.</p> <p>We have two separate business support systems which need to interface either through realignment or the establishment of new integrated business processes</p> <p>Premises; some of which are no longer fit for purpose; some do not have the potential to support multidisciplinary working environments in support of our locality model</p>	<p>Disruption to delivery of core operational services - including statutory responsibilities and national/ local targets.</p> <p>Risk of harm if information necessary to support decision making is not available</p> <p>Risk of being unable to report against local or national outcomes/targets</p> <p>Impact on transformational agenda and decision making if there is a lack of robust data to support this</p> <p>Premises limitations adversely impacting on service capacity and waiting times and ability to redesign services/workforce to support integrated working in our locality model</p>		<p>AHSCP Infrastructure workstream being established ; IT, Capital/Premises and Business processes</p> <p>ATOS commissioned to carry out scoping work to inform future IT strategy</p> <p>Community health premises group Primary Care Capital Development programme board</p> <p>Carefirst development including Multi-Agency View (MAV) to support information sharing</p> <p>Pan-Grampian workstreams supporting IT development /information including Joint Data Sharing Group</p> <p>Roll-out plan for Trak-care for AHPs</p> <p>Planning for community nursing Vision system development underway</p>	<p>Absence of a pan-Grampian overview around IT to support IJB developments</p> <p>Revised Memorandum of Understanding (MOU) re Information sharing and Service Level Agreement (SLA) with Information services Division (ISD) awaiting sign-off</p> <p>AHSCP Infrastructure workstream at early stages and yet to have an impact on desired developments</p> <p>Lack of capacity within ehealth and support services to drive infrastructure improvements at pace</p> <p>Lack of a city-wide partnership premises strategy</p>	Possible	Moderate	Medium	<p>Standing Item on monthly SOMT agenda</p> <p>Changes in Risk register reported by Head of Operations (HOO) to Chief Officer (CO) through Executive Group</p> <p>Changes in Risk register reported by HOO to Audit and Performance committee</p> <p>Audit and Performance committee report to IJB</p> <p>Any clinical and care risks that arise as a result of infrastructure would also be reported to the Clinical and Care Governance committee Clinical and Care Governance Committee reports clinical and care governance risks (including those arising from infrastructure) to the IJB</p> <p>Outwith meeting structures CO will appraise Chair/Vice Chair of IJB of any significant changes to the risk register</p>	Head of Joint Operations	<p>The partnerships infrastructure is largely that which has been inherited from ACC and NHSG.</p> <p>Ongoing collaboration required with partners to support our transformational change.</p> <p>Future opportunities for collaboration across all sectors i.e. 3rd, Independent, Housing as appropriate with respect to premises and data sharing.</p>

Strategic Priority	Description of Risk	Context	Impact	Date Last Assessed	Controls	Gaps in Control	Likelihood	Consequences	Risk Assessment	Assurances	Risk Owner/Handler	Comments
<b>Governance</b>	There is a risk that our governance systems fail or are inadequate which would lead to operational and/or strategic failures	Effective governance systems are required to ensure we operate safely, effectively and within an agreed framework. There are different governance processes in partner organisations. Framework for new governance structures and systems within the partnership have been agreed by the IJB, but these are not yet fully established during this transition period	Services may be unsafe, ineffective, lack control. Could result in reputational damage. If there is an external view that governance arrangements are inadequate, the partnership may become subject to additional external scrutiny, and intervention	11/04/2016	Existing robust policies and procedures within the partnership organisations which we continue to work to. As new governance arrangements are embedded, all staff will be updated on any changes. Partnership controls include service level risk registers/management plans.  Partnership assurance processes including IJB, Audit & Performance Systems Committee, Clinical and Care Governance Framework, Financial management systems, HR systems, Schemes of delegation, Professional and Management governance structures.(Some of these controls sit with the IJB, some with our partnership bodies.)	Committees still in very early stages and roles and remits yet to be finalised. In transition period, application of existing policies and procedures could be perceived as inequitable for staff in the same team working to different policies	Possible	moderate	medium	Ensure this is a standing item on monthly SOMT agenda. Changes in Risk register reported by Head of Operations (HOO) to Chief Officer (CO) through Executive Group Changes in Risk register reported by HOO to Audit and Performance committee Audit and Performance committee report to IJB. Any clinical and care risks that arise as a result of governance would also be reported to the Clinical and Care Governance committee. Chief finance officer role around financial assurance. Chief Social Worker over-arching governance role in relation to SW practice. Clinical and Care Governance Committee reports clinical and care governance risks to the IJB. Outwith meeting structures CO will appraise Chair/Vice Chair of IJB of any significant changes to the risk register.	Risk Owner: Head of Joint Operations Risk Handler: Sally Wilkins/Lynn Morrison	
<b>Protection of People</b>	There is a risk that the partnership will be unable to effectively meet its obligations to protect and support the community - including those most at risk within society	The partnership has very specific statutory duties in relation to supporting and protecting the people of Aberdeen.  These are wide ranging, but include duties relating to the protection of children, adults at risk, and the general public, which are all undertaken on a multi-disciplinary partnership basis.  NHSG Estates Team are also required to provide a range of support services to the Village and Woodside.	The greatest impact is likely to be on those who are at most risk but there are also significant risks to the general public. There is a risk of serious reputational harm to the partnership.  Staff time often wasted trying to get NHSG Estates to attend the Village site.	05.12.2016	Multi-agency procedure and protocols are in place that address the specific duties and responsibilities for public protection across the partnership.  Public Engagement strategies are in place to promote wider public awareness of protection of people and early intervention.  Meetings now scheduled monthly with NHSG to ensure support to Authority Officers for the Village and Woodside.	"Ownership" and awareness of the protection of people agenda is not yet consistent across all sectors and disciplines within the partnership - resulting in operational gaps. Public awareness of the protection of people agenda is also not consistent across the population of Aberdeen.  As yet, the Partnership does not monitor specifically how other risks (such as workforce concerns) directly impact on the protection of people agenda.	Possible	Major	High	Chief Officer, Chief Executives and CSWO oversight. Staff training and development, focusing on promoting good practice. ASP Internal review. Multi-agency learning review. Community Justice Partnership is emerging. Independent functioning of the aPC, MAPPA, multi-agency involvement in management of risk.	SMW  Sandy Reid (Village) and Helen Smith (Woodside)	This will inevitably continue to be a high priority for the Partnership. The emerging senior leadership team provides the opportunity to promote and support this agenda.
<b>Health and Safety</b>	There is a risk that the Partnership will be unable to meet its statutory responsibilities to protect the health and safety of staff and citizens.	The scale of the workforce and variety of services (particularly community based settings) that is out with their immediate control means that the Partnership is required to effectively manage multiple and variable risks to both employees and patients/clients.	A breach in health and safety may result in physical or psychological harm resulting in death, sickness absence or claim against the organisation. This could result in financial and reputational damage for the organisation and potentially lead to a disruption of service and loss of capacity. A breach in health & safety may result in both physical/psychological harm to individuals and environmental harm to physical assets. Beyond the immediate impact to individuals and property there is also the real possibility of financial and reputational damage to the organisation and possible disruption of service and loss of capacity.		ACC and NHSG already have well established policies/procedures in place that will be reviewed to ensure that they meet the needs of the organisation. Absence management systems are in place. Healthy Working Lives programme in place. Datix is in place to capture risk (NHSG only at present) and risk registers are regularly monitored and reviewed. Established support for training and development of staff	Need to review/harmonise policies within organisation and to recommend the establishment of an Aberdeen Health and Social Care Partnership Health and Safety Committee. Recommend review of need for additional separate Community Health and Social Care Health & Safety Groups. Risk reporting and capturing is not currently consistent across organisations. There is a need to harmonise risk reporting via Datix.	Unlikely	Moderate	Medium	Standing item for review/discussion at SOMT.		

Strategic Priority	Description of Risk	Context	Impact	Date Last Assessed	Controls	Gaps in Control	Likelihood	Consequences	Risk Assessment	Assurances	Risk Owner/Handler	Comments
<b>Environmental Factors</b>	Catastrophic environmental issues, failure of external support systems and/or pandemic episodes resulting in inability to deliver services and/or keep staff and citizens safe from harm.	The organisation may suffer the effects of severe weather, fire, power failure, fuel shortage, terrorism or the threat of pandemic illness that may impact on its ability to deliver key/life and limb services and keep staff and citizens safe from harm.	Disruption to services, an inability to deliver core services, the short/long term loss of buildings, key infrastructure, such as ICT systems failure and/or the inability to deploy staff within the organisation, including contracted providers responsible for service delivery.	14/04/2016	Local Resilience Partnership; Up-to-date Winter Weather Policies, Major Infections Disease Plan, Business Continuity Plans & Business Impact Assessments in place for all Service Delivery Units; Staff & Management training, competence & confidence in application through learning & feedback opportunities. Formal Senior Managers & Executive Level on-call rotas covering all aspects of the Partnership. ACC's Emergency Planning Policy & Procedure (link on intranet site); UK Government Planning of Emergencies (www.scot.gov.uk); Scottish Government Guidance on Resilience (www.gov.scot).	Some BCPs and staff competence require refresh; Training for new staff; No formal SW Management on-call rota in place; Transitional state - need to ensure staff remain clear of arrangements during this time of change. Control Rooms - identification/information connecting both organisations' Control Rooms; Media Communication Strategy; Overarching Governance Structure; Sharing of Plans IM&T/Facilities & Estates.	Unlikely	Moderate	Medium	Outcome of recent flooding incident debrief exercise awaited; Planning and training refresh planning in hand; IJB Partners building relationships & learning about each others arrangements/systems; Implementation of IJB Management Structure arrangements under way. Plans are regularly reviewed and updated. In the absence of formal SW Management on-call rota, SW Seniors' contact details have been made available.	IJB Business Manager	
<b>Business Processes</b>	<p>There is a risk that existing health and LA systems, processes and policies are not flexible enough to adapt to joint working. This in turn could lead to businesses becoming overcomplicated, inefficient and not cost effective by trying to integrate the 2 systems.</p> <p>There is a risk that the IT systems will be unable to support the business processes to integrate successfully</p> <p>There is a risk that there will be inadequate resources to provide the business support to localities.</p> <p>There is a risk that partner organisations will make decisions that affect the Partnership without</p>	<p>The Business processes of the partner organisations (NHSG &amp; ACC) are designed to serve the needs of each organisation. Neither of the systems in its entirety is fit for purpose for the partnership.</p> <p>IT capability is crucial to efficient, effective business processes that are fit for purpose. Currently IT provision and support is provided by either NHSG or ACC. The support to the business processes is good but the respective IT departments may be limited in their ability to provide support for any changes.</p> <p>There is a definitive amount of funding available to support the work of the Partnership including business processes.</p> <p>Business teams remain part of partner organisations. Decisions are made which withdraw resource from the Partnership.</p>	<p>Complicated business processes that staff have to follow could result in a disruption to services as well as duplication.</p> <p>Changes that are required to provide first class business processes to the H&amp;SCP could be delayed/not happen.</p> <p>Inefficient business processes could lead to increased costs.</p> <p>Reputational harm could result due to inefficient systems</p> <p>If workable IT solutions are not achieved in a reasonable timescale there is a risk that individuals will develop their own solutions and unsupported adhoc systems will be</p> <p>Loss of control of funds. Loss of support in core business areas e.g. HR</p>	26/07/2016	<p>IT infrastructure and datasharing group has been established.</p> <p>Work is progressing on using NHSG DATIX system to record complaints &amp; incidents and to manage risk.</p> <p>Production and review of this risk register</p> <p>ATOS have looked at our IT requirements and how the existing systems can be enhanced to achieve the desired aim and a report has been produced.</p> <p>Director of Finance appointed (DOF). Finance Workstream has been established and is fully functional</p> <p>None.</p>	<p>Workstream hasn't completed its programme of work yet.</p> <p>Some recommendations of ATOS are only achievable in the longer term due to financial and governance issues.</p> <p>We do not know how much it will cost to run a locality and this may differ in each locality as requirements may vary. There is not an integrated governance and assurance system in place.</p> <p>No controls in place.</p>	Possible	Moderate	Moderate	<p>Standing Item on SOMT agenda.</p> <p>Existing systems can be utilised until H&amp;SCP systems have been devised and tested.</p> <p>2 year workplan produced and being progressed.</p> <p>There are regular meetings of the joint finance teams.</p> <p>None</p>	<p>Director of Operations (DOO)</p> <p>Director of Operations (DOO)</p> <p>IJB Business manager</p>	
<b>Financial</b>	There is a risk that the IJB will overspend on its budget	The council & NHSG have delegated budgets to the IJB and expect them to achieve a balanced budget. Demographic pressures, pressures in the care provider market and local labour market may all impact on the ability to be able to achieve a balanced budget.	Services may need to be reduced in order to make savings to achieve balanced budget. Reputational risk if the IJB overspends. Impact on future years funding levels.	15/03/2016	Regular monitoring of budgets and forecasting will assist in controlling expenditure levels within funds available, give assurance as to the likelihood of any overspend and enable timely advice to be given to the Board to take relevant decisions.	Lack of certainty in the legal and procurement framework that will allow the IJB to enforce payment of the Living Wage within contractual arrangements Inaccuracies and inconsistent updating of financial packages in Carefirst system leads to difficulties in being able to provide accurate forecasts in a volatile						

Strategic Priority	Description of Risk	Context	Impact	Date Last Assessed	Controls	Gaps in Control	Likelihood	Consequences	Risk Assessment	Assurances	Risk Owner/Handler	Comments
	2016/17 budget savings not achieved	In setting the budgets for 2016/17 a significant level of savings targets have been approved. There are also prior years savings which are only being achieved due to staff turnover savings and lack of available care provision.	Potential impact on overall financial position which could then lead to reduction in services which would impact on service users.	15/03/2016	Regularly monitor and track achievement of savings targets, financial monitoring and controls	As a newly established model of working there may be gaps that have not yet been exposed.						
	Failure to deliver on Scottish Government's expectations around Living Wage and additional capacity and transformation	Significant sums of additional money have been allocated by the SG to allow for increases in capacity and transformation and a specific requirement to implement Living wage across social care providers	Reputational damage.  The Scottish Government anticipates that this can be achieved by 1 October 2016, but this will not be without a range of challenges to overcome. Given that achievement of this policy was made one of the conditions of the agreement on the 2016/17 local government funding settlement there is a risk that sanctions may be taken if this cannot be achieved.	15/03/2016	Legal framework that will empower the IJB to be able to achieve the Living wage targets.  Financial monitoring of the appropriate use of the additional funds	Lack of certainty in the legal and procurement framework that will allow the IJB to enforce payment of the Living Wage within contractual arrangements.						

Probability	High – Score 4 75-100% chance of occurring within 1 year.	4	8	12	16
	Medium – Score 3 50-75% chance of occurring within 1 year.	3	6	9	12
	Low – Score 2 25- 50% chance of occurring within 1 year.	2	4	6	8
	NEGLECTIBLE – Score 1 0 – 25% chance of occurring within 1 year.	1	2	3	4
Impact		Minor Score 1	Important Score 2	Significant Score 3	Major Score 4

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## Audit & Performance Systems Committee

<b>Report Title</b>	Review of Internal Auditors
<b>Lead Officer</b>	Alex Stephen (Chief Finance Officer, ACHSCP)
<b>Report Author</b>	Alex Stephen (Chief Finance Officer, ACHSCP)
<b>Report Number</b>	HSCP/17/009
<b>Date of Report</b>	15/02/2017
<b>Date of Meeting</b>	28/02/2017

<b>1: Purpose of the Report</b>
1. The purpose of this report is to consider the appointment of internal auditors for 2017/18.

<b>2: Summary of Key Information</b>
<p>2.1. At the Integration Joint Board (IJB) on the 30 August 2016 the Board resolved:</p> <p>to agree the shared internal audit service used by both Aberdeen City and Aberdeenshire Council would provide internal audit services to the IJB until 31 March 2017;</p> <p>to instruct a review of the appointment of the Chief Internal Auditor and Internal Auditors before 31 March 2017;</p> <p>2.2. The Public Bodies (Joint Working) (Scotland) Act 2014 establishes the framework for Integration of Health and Social Care in Scotland. The Scottish Government established the Integration Resources Advisory Group (IRAG) to develop professional guidance.</p> <p>2.3. This guidance outlines that it is the responsibility of the Integration Joint Board to establish adequate and proportionate internal audit services in order to review of the adequacy of the arrangements for risk management, governance and control of the delegated resources. This will include determining who will provide the internal audit service for the Integration Joint Board and nominating a Chief Internal Auditor.</p>



## Audit & Performance Systems Committee

- 2.4. The Integration Joint Board is required to comply with Article 7 of The Local Authority Accounts (Scotland) Regulations 2014 which states:
- “7(i) A local authority must operate a professional and objective internal auditing service in accordance with recognised standards and practices in relation to internal auditing”.
- 2.5. For Aberdeen City Health and Social Care Partnership, the decision to appoint the internal auditors comes under the remit of the Integration Joint Board.
- 2.6. A review has been undertaken of internal audit services provided to the IJB in 2016/17. These services were found by the executive team to be satisfactory. It was also found that there were certain advantages in having the same internal auditors as used by Aberdeen City Council. These advantages include,
- A knowledge of the Council’s systems, processes and procedures
  - A knowledge of local government accounting standards, regulations and finances
  - An appreciation of the local context.
- 2.7. The recommendation is to appoint the shared internal audit service used by both Aberdeen City and Aberdeenshire Councils. This appointment would be for as long as Aberdeen City Council continued to use these internal audit services. The Audit & Performance Systems Committee is asked to consider this appointment and provide a recommendation to the IJB.
- 2.8. The Chief Internal Auditor has prepared a risk based audit plan and this will be reported to Audit & Performance Systems Committee in April. Thereafter the Chief Internal Auditor will report to the Committee on delivery of the plan, recommendations and provide an annual audit report, including the internal audit opinion on the internal controls used by the Integration Joint Board.

### 3: Equalities, Financial, Workforce and Other Implications

- 3.1. An equality impact assessment is not required because there are no impacts on the protected characteristics arising as a result of this report.





## Audit & Performance Systems Committee

3.2. The services provided by Aberdeen City and Aberdeenshire Councils Internal Auditors for the IJB are currently paid for by the Council.

### 4: Management of Risk

**Identified risk(s):**

**Link to risk number on strategic risk register:**

**How might the content of this report impact or mitigate the known risks:**

### 5: Recommendations

It is recommended the Audit & Performance Systems Committee:

1. Recommend to the Integration Joint Board that the shared internal audit service used by both Aberdeen City and Aberdeenshire Council will provide internal audit services to the Integration Joint Board.

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## Audit and Performance Systems Committee

<b>Report Title</b>	External Audit Strategy
<b>Lead Officer</b>	Alex Stephen, CFO, ACHSCP
<b>Report Author</b>	Alex Stephen, CFO, ACHSCP
<b>Report Number</b>	HSCP/17/014
<b>Date of Report</b>	08.02.17
<b>Date of Meeting</b>	28.02.17

### 1: Purpose of the Report

This report presents the draft external audit strategy to the Audit & Performance Systems committee for its consideration.

### 2: Summary of Key Information

Audit Scotland has appointed KPMG LLP as External Auditor of the Aberdeen City Health & Social Care Partnership.

The draft external audit strategy is attached in Appendix A and outlines KPMG's responsibilities as external auditor for the year ending 31 March 2017 and their intended approach to issues impacting on the Partnership's activities in the year.

### 3: Equalities, Financial, Workforce and Other Implications

There are no equalities, financial or workforce implications arising directly from this report.

### 4: Management of Risk

#### Identified risk(s):

There is a risk that the governance arrangements between the IJB and its partner organisations (ACC and NHSG) are not robust enough to provide necessary



## Audit and Performance Systems Committee

assurance within the current assessment framework – leading to duplication of effort and poor relationships.

**Link to risk number on strategic risk register: 5**

**How might the content of this report impact or mitigate the known risks:**

The approach to external audit as outlined in Appendix A will help mitigate this risk as it outlines work that KPMG will undertake on behalf of ACHSCP to ensure financial statements give a true and fair view and are prepared in accordance with relevant accounting standards and legislation. They will also review the governance statement and arrangements for preparing and publishing statutory performance information.

### **5: Recommendations**

It is recommended that the Audit & Performance Systems Committee:

1. Approve the approach to external audit, as outlined in Appendix A;



# Aberdeen Health and Social Care Partnership

**Audit strategy**

**Year ending 31 March 2017**

**20 February 2017**

**For Audit and Performance Systems Committee consideration on 28 February 2017**

# Contents

The contacts at KPMG in connection with this report are:

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## **About this report**

This report has been prepared in accordance with the responsibilities set out within the Audit Scotland's *Code of Audit Practice* ("the Code"). This report is for the benefit of Aberdeen Health and Social Care Partnership and is made available to Audit Scotland and the Controller of Audit (together "the Beneficiaries"). This report has not been designed to be of benefit to anyone except the Beneficiaries. In preparing this report we have not taken into account the interests, needs or circumstances of anyone apart from the Beneficiaries, even though we may have been aware that others might read this report. We have prepared this report for the benefit of the Beneficiaries alone. Nothing in this report constitutes an opinion on a valuation or legal advice.

We have not verified the reliability or accuracy of any information obtained in the course of our work, other than in the limited circumstances set out in the scoping and purpose section of this report.

This report is not suitable to be relied on by any party wishing to acquire rights against KPMG LLP (other than the Beneficiaries) for any purpose or in any context. Any party other than the Beneficiaries that obtains access to this report or a copy (under the Freedom of Information Act 2000, the Freedom of Information (Scotland) Act 2002, through a Beneficiary's Publication Scheme or otherwise) and chooses to rely on this report (or any part of it) does so at its own risk. To the fullest extent permitted by law, KPMG LLP does not assume any responsibility and will not accept any liability in respect of this report to any party other than the Beneficiaries.

## **Complaints**

If at any time you would like to discuss with us how our services can be improved or if you have a complaint about them, you are invited to contact Andy Shaw, who is the engagement leader for our services to Aberdeen Health and Social Care Partnership, telephone 0131 527 6673 email: andrew.shaw@kpmg.co.uk who will try to resolve your complaint. If your problem is not resolved, you should contact Alex Sanderson, our Head of Audit in Scotland, either by writing to him at Saltire Court, 20 Castle Terrace, Edinburgh, EH1 2EG or by telephoning 0131 527 6720 or email to alex.sanderson@kpmg.co.uk. We will investigate any complaint promptly and do what we can to resolve the difficulties. After this, if you are still dissatisfied with how your complaint has been handled you can refer the matter to Russell Frith, Assistant Auditor General, Audit Scotland, 4<sup>th</sup> Floor, 102 West Port, Edinburgh, EH3 9DN.

## Financial Statement Audit



There are no significant changes to the Code of Practice on Local Council Accounting in 2016/17, which provides stability in terms of the accounting standards Aberdeen Health and Social Care Partnership needs to comply with.

**See pages five to eight for more details.**

### Materiality

Materiality for planning purposes has been based on budgeted gross expenditure (excluding transformation expenditure) for 2016-17 and set at £2.4 million (1% of budgeted gross expenditure).

We are obliged to report uncorrected omissions or misstatements other than those which are 'clearly trivial' to those charged with governance and this has been set at £0.12 million.

### Significant risk

We have identified the fraud risk from management override of controls as a risk which requires specific audit attention, in line with International Standards on Auditing ('ISAs').

### Other areas of audit focus

Those risks with less likelihood of giving rise to a material error but which are nevertheless worthy of audit understanding have been identified as:

- completeness and accuracy of expenditure; and
- financial statement disclosure.

### Fees

We will discuss and agree with management our proposed audit fee, having recently received confirmation of approach to fee setting from Audit Scotland.

## Wider Scope work



A new Code of Audit Practice was published in May 2016 and is applicable to all audits from financial year 2016-17. This requires us to consider four key areas, known as wider dimensions:

- financial sustainability;
- financial management;
- governance and transparency; and
- value for money.

We have concluded that all except for value for money warrant specific focus.

**See pages seven to eight for more details.**

## Logistics



Our team is:

- Andy Shaw – Director
- Natalie Dyce – Manager
- Samantha Johnstone – Fieldwork lead

Our work will be completed in four phases from December to September and our key deliverables are this Audit Plan and an Annual Audit Report as outlined on page 12.

# Introduction

## Scope definition

Audit Scotland has appointed KPMG LLP as auditor of Aberdeen Health and Social Care Partnership (“the Partnership”) in accordance with the Local Government (Scotland) Act 1973. The period of appointment is 2016-17 to 2020-21, inclusive.

## Purpose

This document summarises our responsibilities as external auditor for the year ending 31 March 2017 and our intended approach to issues impacting the Partnership’s activities in the year.

### KPMG’s planned audit work in 2016-17 will include:

- an audit of the financial statements and provision of an opinion on whether the financial statements:
  - give a true and fair view in accordance with the applicable law and the Code of Practice on Local Council Accounting in the United Kingdom (“the 2016-17 Code”) of the state of the affairs of the Partnership as at 31 March 2017 and of the income and expenditure of the Partnership for the year then ended; and
  - have been prepared in accordance with IFRS as adopted by the European Union, as interpreted and adapted by the 2016-17 Code, the requirements of the Local Government (Scotland) act 1973, the Local Council Accounts (Scotland) Regulations 2014 and the Local Government Scotland Act 2003.
- a review and assessment of the Partnership’s governance arrangements, including a review of the adequacy of internal audit and review of the governance statement; and
- a review of arrangements for preparing and publishing statutory performance information.

Auditors and audited bodies’ responsibilities are set out in Audit Scotland’s Code of Audit Practice (‘the Code’). This Code states the responsibilities in relation to:

- the financial statements and related reports;
- corporate governance;
- prevention and detection of fraud and irregularities;
- standards of conduct for prevention and detection of fraud and error;
- financial position; and
- Best Value.

These responsibilities are outlined in appendix four.

## Financial statements audit

Our financial statements audit work follows a four stage audit process which is identified below. Appendix three provides more detail on the activities that this includes. This report concentrates on the financial statements audit planning stage of the financial statements audit.





# Financial statements audit planning



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## Materiality

We are required to plan our audit to determine with reasonable confidence whether or not the financial statements are free from material misstatement. An omission or misstatement is regarded as material if it would reasonably influence the user of financial statements. This therefore involves an assessment of the qualitative and quantitative nature of omissions and misstatements.

Generally, we would not consider differences in opinion in respect of areas of judgement to represent 'misstatements' unless the application of that judgement results in a financial amount falling outside of a range which we consider to be acceptable.

Materiality for planning purposes has been set at £2.4 million, which equates to 1% of 2016-17 budgeted gross expenditure (excluding transformation expenditure). Materiality will be revised once draft financial statements for 2016-17 are received.

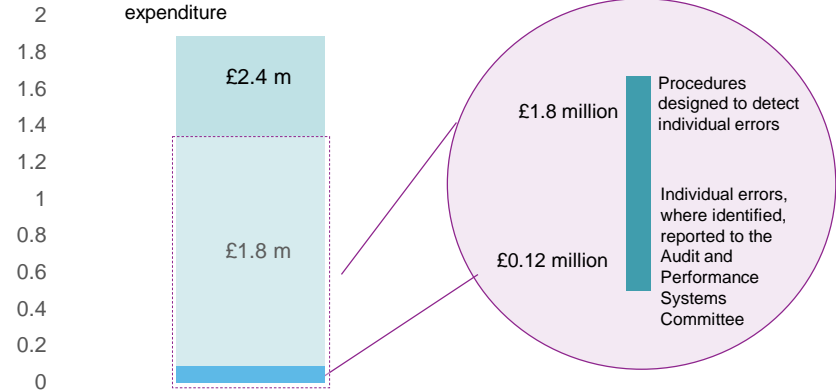
We design our procedures to detect errors in specific accounts at a lower level of precision.

## Reporting to the Audit and Performance Systems Committee

Whilst our audit procedures are designed to identify misstatements which are material to our opinion on the financial statements as a whole, we nevertheless report to the Audit and Performance Systems Committee any unadjusted misstatements of lesser amounts to the extent that these are identified by our audit work.

Under ISA 260 (UK&I) 'Communication with those charged with governance', we are obliged to report uncorrected omissions or misstatements other than those which are 'clearly trivial' to those charged with governance. ISA 260 (UK&I) defines 'clearly trivial' as matters that are clearly inconsequential, whether taken individually or in aggregate and whether judged by any quantitative or qualitative criteria.

Materiality for the Partnership based on budgeted gross expenditure



In the context of the Partnership, we propose that an individual difference could normally be considered to be clearly trivial if it is less than £0.12 million.

If management have corrected material misstatements identified during the course of the audit, we will consider whether those corrections should be communicated to the Audit and Performance Systems Committee to assist it in fulfilling its governance responsibilities.

# Financial statements audit planning (continued)



Our planning work takes place during December 2016 to February 2017. This involves; risk assessment; determining our materiality level; and issuing this audit plan to communicate our audit strategy.

## Risk assessment

We use our knowledge of the Partnership, discussions with management and review of board papers to identify areas of risk and audit focus categorised into financial risks and wider dimension risks as set out in The Code of Audit Practice.

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Risk	Why	Audit approach
<b>Financial statement risks</b>		
<b>Fraud risk from management override of controls</b>	Professional standards require us to communicate the fraud risk from management override of controls as a significant risk; as management is typically in a unique position to perpetrate fraud because of its ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.	<ul style="list-style-type: none"> <li>Our audit methodology incorporates the risk of management override as a default significant risk. We have not identified any specific additional risks of management override relating to the audit of the Partnership.</li> <li>Strong oversight of finances by management provides additional review of potential material errors caused by management override of controls.</li> <li>In line with our methodology, we will carry out appropriate controls testing and substantive procedures, including over journal entries, accounting estimates and significant transactions that are outside the organisation's normal course of business, or are otherwise unusual.</li> </ul>
<b>Fraud risk from income revenue recognition</b>	Professional standards require us to make a rebuttable presumption that the fraud risk from revenue recognition is a significant risk. We have rebutted this risk.	<ul style="list-style-type: none"> <li>The Partnership receives funding requisitions from Aberdeen City Council and NHS Grampian. These are agreed in advance of the year, with any changes arising from changes in need, requiring approval from each body. There is no estimation or judgement in recognising this stream of income and we do not regard the risk of fraud to be significant.</li> </ul>
<b>Other focus areas</b>		
<b>Completeness and accuracy of expenditure</b>	The Partnership receives expenditure forecasts from Aberdeen City Council and NHS Grampian as part of the annual budgeting process. There is a risk that actual expenditure and resulting funding requisition income is not correctly captured.	<ul style="list-style-type: none"> <li>Our substantive audit will obtain support for the expenditure included in Aberdeen City Council and NHS Grampian's accounting records. We will liaise with the external auditors for both bodies in advance of the audit.</li> </ul>

# Financial statements audit planning (continued)



Risk	Why	Audit approach
<b>Other focus areas (continued)</b>		
<b>Financial statement disclosure</b>	<p>The Partnership prepared financial statements for the first time in 2015-16 for the period from October 2015 to March 2016. We note that the previous auditor, Audit Scotland, noted that the financial statement for this period were of a high standard, however it raised numerical and presentational adjustments.</p> <p>There is a risk in the Partnership's first full accounting year that the financial statements and disclosures will not be prepared to the required quality and by the agreed timescales.</p>	<ul style="list-style-type: none"> <li>■ We will review the disclosures in the financial statements against the 2016-17 Code, the Local Authority Accounts (Scotland) Regulations 2014 and any other relevant guidance.</li> <li>■ We will consider the officers disclosed in the remuneration report, to ensure they are appropriate and agree amounts to supporting documentation.</li> </ul>
<b>Wider dimension risks</b>		
<b>Financial management</b>	<p>Financial management is concerned with financial capacity, sound budgetary processes and whether the control environment and internal controls are operating effectively. It is a risk given that the Partnership is in its first year of directing services.</p>	<ul style="list-style-type: none"> <li>■ We will obtain an understanding of the Partnership's financial position and year end outturn position through review of board reports and other management information. We will assess management's progress with implementation of efficiency savings. Commentary and analysis on these areas will be provided within the annual audit report.</li> <li>■ We will perform controls testing over the budgeting process including the monitoring of budgets throughout the year. We will perform substantive procedures, including substantive analytical procedures, over income and expenditure comparing the final position to budget.</li> </ul>
<b>Financial sustainability</b>	<p>Financial sustainability looks forward to the medium and longer term to consider whether the Partnership is planning effectively to continue to deliver its services or the way in which they should be delivered. This is inherently a risk to the Partnership given the challenging environment where funding is reduced and efficiency savings are required.</p>	<ul style="list-style-type: none"> <li>■ The Partnership receives funding requisitions from NHS Grampian and Aberdeen City Council, and has a risk sharing agreement with both bodies in 2016-17 and 2017-18. This gives the Partnership comfort with regards to overspends in these two years, however, there is a risk going forward regarding ongoing budget balance, specifically in the context of the challenging NHS Grampian budget.</li> <li>■ We will consider the Partnership's financial planning and reserves strategy and conclude on the appropriateness of these in our annual audit report.</li> </ul>

# Financial statements audit planning (continued)



Risk	Why	Audit approach
<b>Wider dimension risks (continued)</b>		
<b>Governance and transparency</b>	Governance and transparency is concerned with the effectiveness of scrutiny and governance arrangements, leadership and decision making, and transparent reporting of financial and performance information. This is a risk for the first year of directing services, as arrangements become mature.	<ul style="list-style-type: none"> <li>■ The Partnership is developing scrutiny and governance arrangements, as this is the early stages of maturity there are some areas for development.</li> <li>■ We will obtain an understanding of the Partnership's governance and scrutiny arrangements and proposed developments to the governance framework and conclude on the appropriateness of these in our annual audit report.</li> </ul>



# Appendices

# Mandated communications with the Audit and Performance Systems Committee

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Matters to be communicated	Link to Audit, Risk and Scrutiny Committee papers
Independence and our quality procedures ISA 260 (UK and Ireland).	<ul style="list-style-type: none"> <li>■ See next page</li> </ul>
The general approach and overall scope of the audit, including levels of materiality, fraud and engagement letter ISA 260 (UK and Ireland).	<ul style="list-style-type: none"> <li>■ Main body of this paper</li> </ul>
<ul style="list-style-type: none"> <li>■ Disagreement with management about matters that, individually or in aggregate, could be significant to the entity's financial statements or the auditor's report, and their resolution (AU 380).</li> </ul>	<ul style="list-style-type: none"> <li>■ In the event of such matters of significance we would expect to communicate with the Audit and Performance Systems Committee throughout the year.</li> <li>■ Formal reporting will be included in our audit highlights memorandum for the September 2017 Audit and Performance Systems Committee meeting, which focuses on the financial statements.</li> </ul>
<ul style="list-style-type: none"> <li>■ Significant difficulties we encountered during the audit.</li> <li>■ Significant matters discussed, or subject to correspondence, with management (ISA 260).</li> </ul>	
<ul style="list-style-type: none"> <li>■ Our views about the qualitative aspects of the entity's accounting and financial reporting.</li> <li>■ The potential effect on the financial statements of any material risks and exposures, such as pending litigation, that are required to be disclosed in the financial statements (ISA 260 and ISA 540).</li> </ul>	
<ul style="list-style-type: none"> <li>■ Audit adjustments, whether or not recorded by the entity, that have, or could have, a material effect on its financial statements. We will request you to correct uncorrected misstatements (including disclosure misstatements) (ISA 450).</li> </ul>	
<ul style="list-style-type: none"> <li>■ The selection of, or changes in, significant accounting policies and practices that have, or could have, a material effect on the entity's financial statements (ISA 570).</li> </ul>	
<ul style="list-style-type: none"> <li>■ Material uncertainties related to events and conditions that may cast significant doubt on the entity's ability to continue as a going concern (ISA 570).</li> </ul>	
<ul style="list-style-type: none"> <li>■ Expected modifications to the auditor's report (ISA 705).</li> </ul>	
<ul style="list-style-type: none"> <li>■ Related party transactions that are not appropriately disclosed (ISA 550)</li> </ul>	

# Auditor Independence

## Assessment of our objectivity and independence as auditor of Aberdeen Health and Social Care Partnership

Professional ethical standards require us to communicate to you as part of planning all significant facts and matters, including those related to the provision of non-audit services and the safeguards put in place that, in our professional judgement, may reasonably be thought to bear on KPMG LLP's independence and the objectivity of Audit Director and the audit team. This letter is intended to comply with this requirement although we will communicate any significant judgements made about threats to objectivity and independence and the appropriateness of safeguards put in place.

This letter is intended to comply with this requirement and facilitate a subsequent discussion with you on audit independence and addresses:

- General procedures to safeguard independence and objectivity;
- Independence and objectivity considerations relating to the provision of non-audit services; and
- Independence and objectivity considerations relating to other matters.

## General procedures to safeguard independence and objectivity

KPMG LLP is committed to being and being seen to be independent. As part of our ethics and independence policies, all KPMG LLP Audit Directors and staff annually confirm their compliance with our ethics and independence policies and procedures including in particular that they have no prohibited shareholdings. Our ethics and independence policies and procedures are fully consistent with the requirements of the APB Ethical Standards. As a result we have underlying safeguards in place to maintain independence through:

- Instilling professional values
- Communications
- Internal accountability

- Risk management
- Independent reviews.

We are satisfied that our general procedures support our independence and objectivity.

## Independence and objectivity considerations relating to the provision of non-audit services

### Summary of fees

We have considered the fees charged by us to the Partnership for professional services provided by us during the reporting period. Total fees charged by us for the period ended 31 March 2017 will be agreed separately with management and Audit Scotland.

There are no non audit fees chargeable to the Partnership.

## Independence and objectivity considerations relating to other matters

There are no other matters that, in our professional judgment, bear on our independence which need to be disclosed to the Audit and Performance Systems Committee.

## Confirmation of audit independence

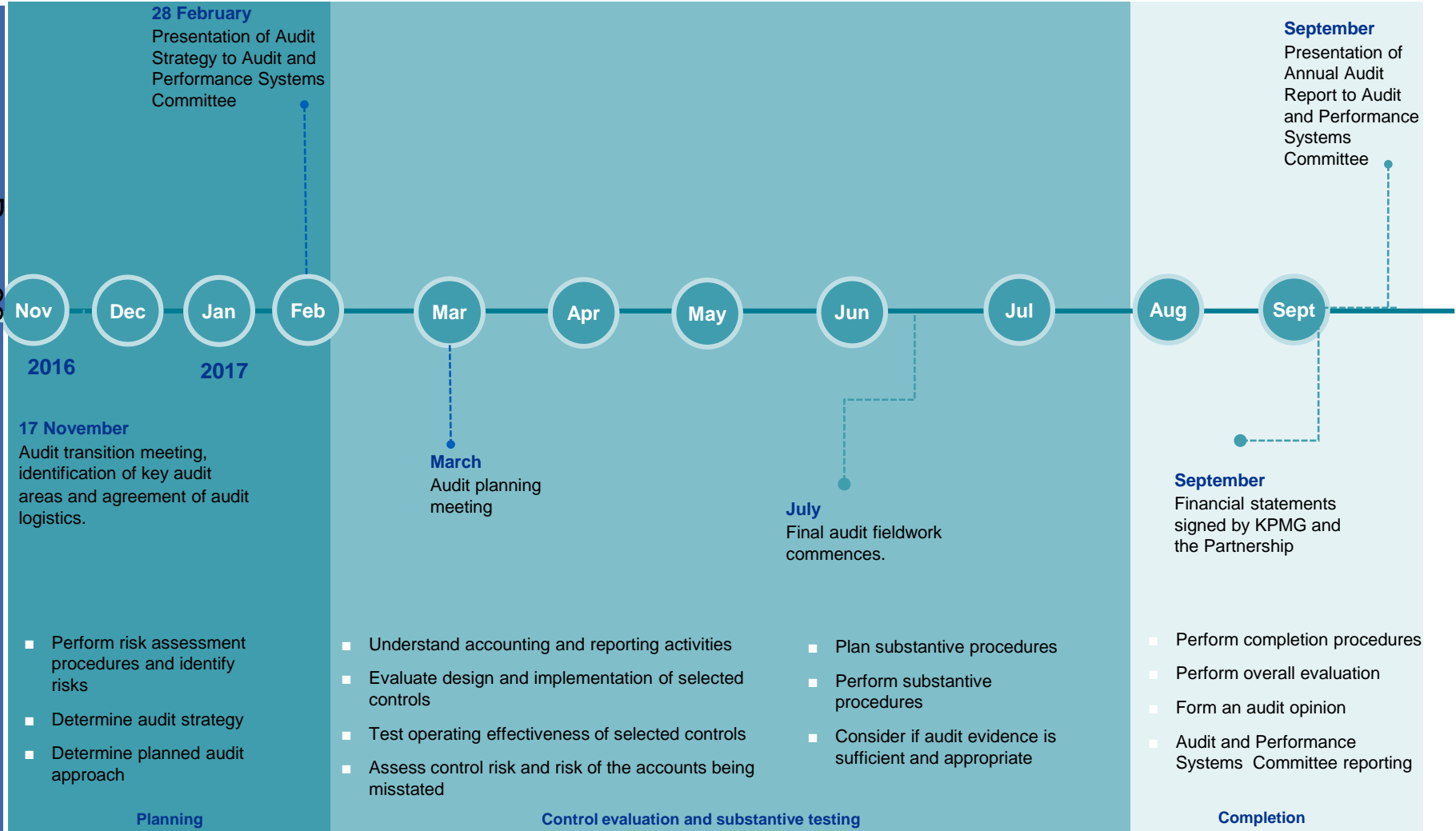
We confirm that as of the date of this letter, in our professional judgment, KPMG LLP is independent within the meaning of regulatory and professional requirements and the objectivity of the director and audit staff is not impaired.

This report is intended solely for the information of the Audit and Performance Systems Committee of Aberdeen Health and Social Care Partnership and should not be used for any other purposes.

We would be very happy to discuss the matters identified above (or any other matters relating to our objectivity and independence) should you wish to do so.

Yours faithfully  
KPMG LLP

# Timeline and reporting: timeline





# Timeline and reporting: audit outputs

Output	Description	Report date
<b>Audit strategy</b>	<ul style="list-style-type: none"> <li>■ Our strategy for the external audit of the Partnership, including significant risk and audit focus areas.</li> </ul>	<ul style="list-style-type: none"> <li>■ By 31 March 2017</li> </ul>
<b>Independent auditor's report</b>	<ul style="list-style-type: none"> <li>■ Our opinion on the Partnership's financial statements.</li> </ul>	<ul style="list-style-type: none"> <li>■ By 30 September 2017</li> </ul>
<b>Annual audit report</b>	<ul style="list-style-type: none"> <li>■ We summarise our findings from our work during the year.</li> </ul>	<ul style="list-style-type: none"> <li>■ By 30 September 2017</li> </ul>
<b>Audit reports on other returns</b>	<ul style="list-style-type: none"> <li>■ We will report on the following returns:               <ul style="list-style-type: none"> <li>- Current issues return;</li> <li>- Technical database;</li> <li>- Fraud returns.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>■ To submit by:               <ul style="list-style-type: none"> <li>- February, April, August and November 2017</li> <li>- 7 July 2017</li> <li>- 26 May 2017</li> </ul> </li> </ul>

# Audit Scotland code of audit practice – responsibilities of auditors and management

## Responsibilities of management

### Financial statements

Audited bodies must prepare an annual report and accounts containing financial statements and other related reports. They have responsibility for:

- preparing financial statements which give a true and fair view of their financial position and their expenditure and income, in accordance with the applicable financial reporting framework and relevant legislation;
- maintaining accounting records and working papers that have been prepared to an acceptable professional standard and that support their financial statements and related reports disclosures;
- ensuring the regularity of transactions, by putting in place systems of internal control to ensure that they are in accordance with the appropriate Council;
- maintaining proper accounting records; and
- preparing and publishing, along with their financial statements, an annual governance statement, management commentary (or equivalent) and a remuneration report that are consistent with the disclosures made in the financial statements. Management commentary should be fair, balanced and understandable and also clearly address the longer-term financial sustainability of the body.

Further, it is the responsibility of management of an audited body, with the oversight of those charged with governance, to communicate relevant information to users about the entity and its financial performance, including providing adequate disclosures in accordance with the applicable financial reporting framework. The relevant information should be communicated clearly and concisely.

Audited bodies are responsible for developing and implementing effective systems of internal control as well as financial, operational and compliance controls. These systems should support the achievement of their objectives and safeguard and secure value for money from the public funds at their disposal. They are also responsible for establishing effective and appropriate internal audit and risk-management functions.

### Prevention and detection of fraud and irregularities

Audited bodies are responsible for establishing arrangements for the prevention and detection of fraud, error and irregularities, bribery and corruption and also to ensure that their affairs are managed in accordance with proper standards of conduct by putting proper arrangements in place.

# Audit Scotland code of audit practice – responsibilities of auditors and management

Responsibilities of management	
	<p><b>Corporate governance arrangements</b></p> <p>Each body, through its chief executive or accountable officer, is responsible for establishing arrangements to ensure the proper conduct of its affairs including the legality of activities and transactions, and for monitoring the adequacy and effectiveness of these arrangements. Audited bodies should involve those charged with governance (including Audit, Risk and Scrutiny Committees or equivalent) in monitoring these arrangements.</p>
	<p><b>Financial position</b></p> <p>Audited bodies are responsible for putting in place proper arrangements to ensure that their financial position is soundly based having regard to:</p> <ul style="list-style-type: none"> <li>■ such financial monitoring and reporting arrangements as may be specified;</li> <li>■ compliance with any statutory financial requirements and achievement of financial targets;</li> <li>■ balances and reserves, including strategies about levels and their future use;</li> <li>■ how they plan to deal with uncertainty in the medium and longer term; and</li> <li>■ the impact of planned future policies and foreseeable developments on their financial position.</li> </ul>
	<p><b>Best Value, use of resources and performance</b></p> <p>The Scottish Public Finance Manual sets out that accountable officers appointed by the Principal Accountable Officer for the Scottish Administration have a specific responsibility to ensure that arrangements have been made to secure best value.</p>

# Audit Scotland code of audit practice – responsibilities of auditors and management

## Responsibilities of auditors

### Appointed auditor responsibilities

Auditor responsibilities are derived from statute, this Code, International Standards on Auditing (UK and Ireland), professional requirements and best practice and cover their responsibilities when auditing financial statements and when discharging their wider scope responsibilities. These are to:

- undertake statutory duties, and comply with professional engagement and ethical standards;
- provide an opinion on audited bodies' financial statements and, where appropriate, the regularity of transactions;
- review and report on, as appropriate, other information such as annual governance statements, management commentaries, remuneration reports, grant claims and whole of government returns;
- notify the Auditor General when circumstances indicate that a statutory report may be required;
- participate in arrangements to cooperate and coordinate with other scrutiny bodies (local government sector only);
- demonstrate compliance with the wider public audit scope by reviewing and providing judgements and conclusions on the audited bodies:
  - effectiveness of performance management arrangements in driving economy, efficiency and effectiveness in the use of public money and assets;
  - suitability and effectiveness of corporate governance arrangements; and
  - financial position and arrangements for securing financial sustainability.

Weaknesses or risks identified by auditors are only those which have come to their attention during their normal audit work in accordance with the Code, and may not be all that exist. Communication by auditors of matters arising from the audit of the financial statements or of risks or weaknesses does not absolve management from its responsibility to address the issues raised and to maintain an adequate system of control.

# Audit Scotland code of audit practice – responsibilities of auditors and management

Responsibilities of auditors	
<b>General principles</b>	
This Code is designed such that adherence to it will result in an audit that exhibits these principles.	
<b>Independent</b>	
When undertaking audit work all auditors should be, and should be seen to be, independent. This means auditors should be objective, impartial and comply fully with the Financial Reporting Council's (FRC) ethical standards and any relevant professional or statutory guidance. Auditors will report in public and make recommendations on what they find without being influenced by fear or favour.	
<b>Proportionate and risk based</b>	
Audit work should be proportionate and risk based. Auditors need to exercise professional scepticism and demonstrate that they understand the environment in which public policy and services operate. Work undertaken should be tailored to the circumstances of the audit and the audit risks identified. Audit findings and judgements made must be supported by appropriate levels of evidence and explanations. Auditors will draw on public bodies' self-assessment and self-evaluation evidence when assessing and identifying audit risk.	
<b>Quality focused</b>	
Auditors should ensure that audits are conducted in a manner that will demonstrate that the relevant ethical and professional standards are complied with and that there are appropriate quality-control arrangements in place as required by statute and professional standards.	

# Audit Scotland code of audit practice – responsibilities of auditors and management

Responsibilities of auditors	
<b>Coordinated and integrated</b>	It is important that auditors coordinate their work with internal audit, Audit Scotland, other external auditors and relevant scrutiny bodies to recognise the increasing integration of service delivery and partnership working within the public sector. This would help secure value for money by removing unnecessary duplication and also provide a clear programme of scrutiny activity for audited bodies.
<b>Public focused</b>	The work undertaken by external audit is carried out for the public, including their elected representatives, and in its interest. The use of public money means that public audit must be planned and undertaken from a wider perspective than in the private sector and include aspects of public stewardship and best value. It will also recognise that public bodies may operate and deliver services through partnerships, arm’s-length external organisations (ALEOs) or other forms of joint working with other public, private or third sector bodies.
<b>Transparent</b>	Auditors, when planning and reporting their work, should be clear about what, why and how they audit. To support transparency the main audit outputs should be of relevance to the public and focus on the significant issues arising from the audit.
<b>Adds value</b>	It is important that auditors recognise the implications of their audit work, including their wider scope responsibilities, and that they clearly demonstrate that they add value or have an impact in the work that they do. This means that public audit should provide clear judgements and conclusions on how well the audited body has discharged its responsibilities and how well they have demonstrated the effectiveness of their arrangements. Auditors should make appropriate and proportionate recommendations for improvement where significant risks are identified.



The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavour to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

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## Audit and Performance Systems Committee

<b>Report Title</b>	Transformation Programme Progress Report
<b>Lead Officer</b>	Judith Proctor, Chief Officer
<b>Report Author</b>	Gail Woodcock, Integrated Localities Programme Manager (ACHSCP)
<b>Report Number</b>	HSCP/17/015
<b>Date of Report</b>	05/02/17
<b>Date of Meeting</b>	28/02/17

<b>1: Purpose of the Report</b>
The purpose of this report is to provide an update on the progress of the Transformation Programme.

<b>2: Summary of Key Information</b>
<p><b><u>2.1 Background</u></b></p> <p>At its first board meeting on 26 April 2016, the IJB considered a report setting out a strategic commissioning and transformation programme for the IJB.</p> <p>The plan set out the broad principles for the approach and 6 areas for strategic investment, set against the backdrop of the priorities as set out in the Aberdeen City Health and Social Care Partnership Strategic Plan:</p> <ul style="list-style-type: none"> <li>• Acute Care at Home</li> <li>• Supporting Management of Long Term Conditions – Building Community Capacity</li> <li>• Modernising Primary and Community Care</li> <li>• Culture Change/ Organisational Change</li> <li>• Strategic Commissioning and Development of Social Care</li> <li>• Information and Communication Technology and Technology Enabled Care (included within a wider work programme also including infrastructure and data sharing)</li> </ul>



## **Audit and Performance Systems Committee**

This report also highlighted the capacity required to delivery this scale of transformation.

It is highlighted that the Delayed Discharge programme is also included within the overall programme management approach.

### **2.2 Transformation Progress**

In October 2016, the Audit and Performance Systems Committee considered its first Transformation Progress Report. That report outlined the Programme Management methodology that is being used to support the successful delivery of this complex programme of activity, and the Programme Dashboard used to manage the detail of activity being progressed was included for information, as an appendix to that report.

For this and subsequent APS meetings, an Integration and Change Programme Acceleration and Pace Highlight Report has been developed to: highlight progress, key milestones, significant programme changes, and risks. This highlight report seeks to provide appropriate assurance of progress and exception reporting to the Audit and Performance Systems Committee.

This Integration and Change Programme Highlight Report for the current period is attached at Appendix A.

### **3: Equalities, Financial, Workforce and Other Implications**

#### **Financial Implications**

The partnership receives a range of funding to support its Integration and Change programme. A breakdown of the funding available is set out in the Transformation Programme Highlight Report.

It is anticipated that there will be an overspend of approximately £1million within the pharmacy budget for 2016/17, and underspend of the transformational budget for this year is planned to fund this overspend.

#### **Equalities Implications**

The transformation programme seeks to support delivery of the IJBs strategic plan.



## Audit and Performance Systems Committee

This plan includes the strategic priority of contributing to a reduction in health inequalities and the inequalities in the wider social conditions that affect our health and wellbeing.

### **Workforce Implications**

There are and will continue to be a range of workforce implications as a result of the transformation programme. These include additional capacity that is required to deliver the scale of transformation that has been agreed by the IJB, and implications relating to the existing operational workforce, in relation to the new ways of working that are anticipated to emerge as a result of the delivery of the strategic plan. Full engagement and consultation will take place with affected staff, including encouragement and support for staff to get involved with developing and implementing the change.

#### **4: Management of Risk**

##### **Identified risk(s):**

There are a range of risks that will be managed throughout the transformation development and implementation processes. The key risks are identified in the Highlight Report at Appendix A. The Programme Board has a key role to ensure that these risks are identified and appropriately managed.

##### **Link to risk number on strategic or operational risk register:**

The main risk relates to not achieving the transformation that we aspire to, and the resultant risk around the delivery of our strategic plan, and therefore our ability to sustain the delivery of our statutory services within the funding available.

9. Failure to deliver transformation at a pace or scale required by the demographic and financial pressures in the system
2. There is a risk of financial failure, that demand outstrips budget and IJB cannot deliver on priorities, statutory work, and project an overspend

##### **How might the content of this report impact or mitigate the known risks:**

This paper shows the co-ordinated approach that is being undertaken with respect to our transformational activities so that there is a strong alignment with the



## **Audit and Performance Systems Committee**

partnership's strategic priorities and the IJB's risk register.

### **5: Recommendations for Action**

It is recommended that the Audit and Performance Systems Committee:

1. Note the ongoing process and progress in developing and delivering our transformational programme and seek further updates at regular intervals.



## **Audit and Performance Systems Committee**

### Appendix A: Transformation Programme Highlight Report

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## Integration and Change Programme

# Acceleration and Pace Highlight Report

- **Organisational Development & Cultural Change**
- **IT, Infrastructure and Data Sharing**
- **Modernising Primary & Community Care**
- **Supporting Self-Management of Long Term Conditions and Building Community Capacity**
- **Strategic Commissioning**
- **Acute Care @ Home**

## Overall Integration and Change Programme

The Aberdeen City Health and Social Care Partnership's Integration and Change Programme seeks to deliver the transformational change that is required for the partnership to deliver its strategic priorities.

### General Comments:

Much of the overall integration and change programme is at the Define stage – including the development of options appraisals and business plans. Once the overall programme moves more into Implement stage, this report will also incorporate an overall plan timeline.

Overall progress is slower than desired due to gaps in programme management capacity. Work is ongoing to progress additional posts early in 2017.

Activities and Projects within the programme are categorised as follows:

- **TRANSFORMATIVE** – activities that are intended to change the current operating arrangements into new, different operating arrangements
- **INNOVATIVE** – activities that will introduce a new way of working into the current operating system
- **ENABLING** – activities and infrastructure which are essential to support innovation and transformation to happen.

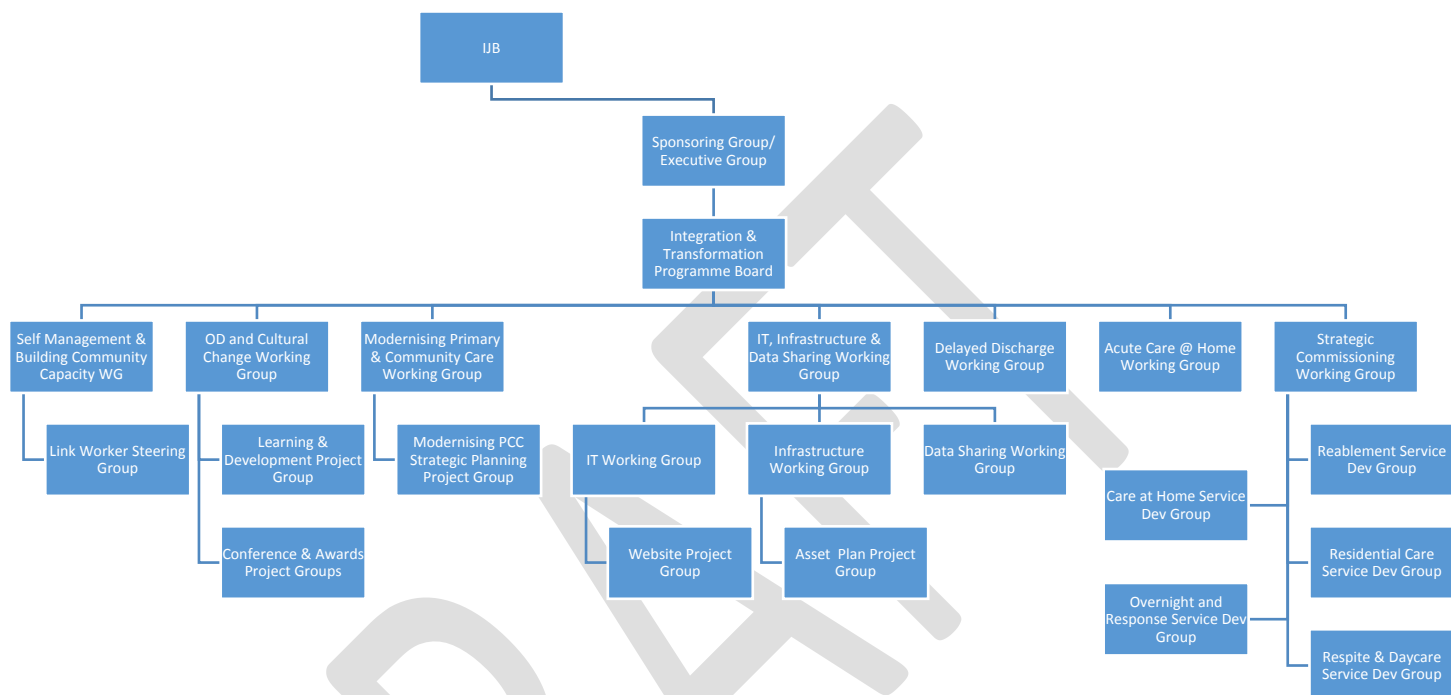
### Key Risks

RISK	DESCRIPTION	LIKELIHOOD/ IMPLICATION	MITIGATION
Failure to deliver transformation required	Failure to deliver the scale of transformation required within the timescales that additional funding is available, or within the time available before service demand is unsustainable.	MED/ HIGH	Recruitment of additional resource to support the delivery of the transformation programme  Scrutiny of progress via Programme Board/ Exec Group and Audit and Performance Systems Committee
Engagement & Change Strategy	Managing change with staff and partners may not be successful due to complexity of programme and other operational pressures	HIGH/ HIGH	Develop communications strategy  Key stakeholders/ leaders as Programme Board members  OD and Cultural Change Programme will provide development training
Sustainability of transformational change	There is a risk that new ways of working do not release resource within the overall system or that "blockages" prevent old system resource from transferring to new systems.	HIGH/ HIGH	Key stakeholders as Programme Board members  Robust business planning and scrutiny to identify where resource will be released from and to allow "blockages" to be identified early.  Ongoing review at key milestones to check that outputs remain aligned with corporate objectives
Failure to realise anticipated benefits of programme	The programme does not clearly articulate the anticipated benefits, and/or the anticipated benefits are not delivered.	MED/ MED	Benefits realisation workshop planned with Programme Board.  Robust business planning process to clearly set out anticipated benefits.  Programme Board and Working groups tasked to ensure benefits are identified and realised.  Additional resource identified to evaluate/ measure benefits realisation
Failure to balance	The balance of resource/	MED/ MED	Operational managers (as Business Change



transformation with business as usual	capacity allocated to change activities impacts on ability to deliver business as usual.		Managers) are on Programme Board. Change process builds in double running resources where required.
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## Programme Management Governance Structure:



## Overall Programme Expenditure

Work stream	Projected Spend 2016/17	Actual Spend to date 2016/17*	Projected Spend 2017/18	Legally Committed Spend 17/18	Projected Spend 2018/19	Legally Committed spend 18/19
<a href="#">Supporting Transformation Infrastructure</a>	£851,223	£335,170	£1,349,408	£0	£1,031,361	£0
<a href="#">Infrastructure, IT and Data Sharing</a>	£580,726	£247,043	£1,292,208		£854,805	
<a href="#">Acute Care At Home</a>	£14,804	£2,870	£1,150,000	£0	£1,270,000	£0
<a href="#">Supporting Management of Long Term Conditions and Building</a>	£443,685	£325,430	£1,495,075	£0	£1,282,700	£0

Work stream	Projected Spend 2016/17	Actual Spend to date 2016/17*	Projected Spend 2017/18	Legally Committed Spend 17/18	Projected Spend 2018/19	Legally Committed spend 18/19
<a href="#">Community Capacity</a>						
<a href="#">Modernising Primary &amp; Community Care</a>	£1,745,351	£212,681	£1,755,818	£0	£1,066,685	£0
<a href="#">Culture and Organisational Change</a>	£533,000	£300,004	£1,113,600	£0	£1,054,100	£0
<a href="#">Strategic Commissioning and Development of Social Care</a>	£41,605	£21,605	£420,000	£0	£370,000	£0
Delayed Discharge	£205,000	£123,629	£230,000	£0	£0	£0
	<b>£4,415,395</b>	<b>£1,568,431</b>	<b>£8,806,109</b>		<b>£6,929,651</b>	

\*Note: Actual Spend to date does not include some elements of spend that are ongoing (including some salary costs) or that are reconciled at year end (such as support for prescribing).

## Overall Programme Income

<b>FUNDING AVAILABLE</b>				£	£	£	£
	R/NR	Partner	body	16.17	17.18	18.19	19.20
Integrated Care Fund	R	nhs		3750000	3750000	3750000	3750000
Integrated Care Fund c/f from 15.16	NR	nhs		2193000			
Change Fund c/f	NR	nhs		243000			
Delayed Discharge	R	nhs		1125000	1125000	1125000	1125000
Delayed Discharge c/f from 15.16	NR	nhs		921000			
Winter resilience (non recurring) c/f from 15/16	NR	nhs		190000			
Additional investment	R	acc		4750000	4750000	4750000	4750000
Primary Care Transformation	NR	meantime	nhs	270841			
Mental Health Fund	NR	meantime	nhs	146884			
Transforming Urgent Care	NR		nhs	285762			
ERDF TEC match funding	NR		acc	195000			
Care at Home/Housing	NR		acc	87000			
				<b>14157487</b>	<b>9625000</b>	<b>9625000</b>	<b>9625000</b>

Abbreviations used throughout the report:

ACHSCP: Aberdeen City Health and Social Care Partnership

ITPB: Integration and Transformation Programme Board

MPCC: Modernising Primary & Community Care






SMCC: Supporting Self-Management of Long Term Conditions & Building Community Capacity

ODCC: Organisational Development & Cultural Change

IIDS: IT, Infrastructure and Data Sharing

SC: Strategic Commissioning

AC@H: Acute Care at Home

RAG	Definition
	Successful delivery of the project to time, cost and quality appears highly likely and there are no major outstanding issues that, at this stage, appear to threaten delivery significantly.
	Successful delivery appears probable, however, management will be needed to ensure current risks do not develop into major issues threatening delivery.
	Possible but significant issues already exist, requiring management attention. These appear resolvable at this stage and if addressed promptly would not prevent an acceptable outcome.
	Successful delivery of the project is in doubt with major risks or issues apparent in a number of key areas. Urgent action is required to ensure these are addressed and determine whether resolution is feasible.
	Successful delivery of the project appears to be unachievable. There are major issues on project definition, schedule or budget, quality and/or benefits delivery which at this stage do not appear to be manageable or resolvable. The project may need re-scoping or its overall viability re-assessed.

## Organisational Development and Cultural Change

### 1. Programme Summary and Anticipated Benefits

This **ENABLING** work stream recognises that people are key to delivering our integration and transformation ambitions. The appropriate organisational culture is an essential core building block and we will be unable to successfully embed the transformation we seek without changing the culture of our organisation and the people who make it.

Activities in this work stream support the development of the new “Team Aberdeen” culture and will ensure that people are in the right places and with the right skills and attributes to support people in communities. The work stream also recognises the anxiety many of our staff will feel as we transition into our new partnership and integrate at every point of delivery, aligning with our values of caring, person centred and enabling.

### 2. Programme Status

Overall RAG Status:	<b>GREEN/ AMBER</b>
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### 3. Project progress during this period

Key milestones deliverables	Planned Date	Achieved Date	Update	Comments
Organisational Development Plan	November 2016	November 2016	An organisational development plan is now in place and is progressing towards delivery.	
Effective Induction Programme	November 2016	January 2017	Induction process including a video welcome from the Chief Officer is now in place and is being implemented for all new starts to the partnership.	
Organisational Development for Senior Management Team	Not yet set	ongoing	Executive Team Away day took place in Jan 2017 including a Myers Brigg Evaluation.	
Wider Leadership Development Support	Not yet set	ongoing	SSSC providing Collaborative Leadership in Practice Programme to members of Central Locality Leadership Group – ongoing.	
Ensure a fit and healthy workforce	November 2017	ongoing	12 month transition arrangements agreed while review of Healthy Working Lives and options appraisal to ensure sustainability is undertaken.	
Ongoing Board Development, systems and governance testing	31/3/17	ongoing	GGI continuing to support members of Clinical and Care Governance Committee as part of ongoing board development.	
Ideas Hub: “Our IDEAS”	April 2017	ongoing	Soft launch of “OurIDEAS” innovation platform at ACHSCP conference in November 2016. Full launch took place in January 2017.	Development of comms plan and processes ongoing.

ACHSCP Conference: Taking Care of Transformation	30/11/16	30/11/16	First partnership conference took place on 30/11/16. Positive feedback received.	
HEART Awards	16/2/17	16/2/17	First partnership awards event took place in February 2017.	

#### 4. Change Control

Change	Impact	
	Budget/Resource	Schedule
Social Care Campus – stop and review	Projected £730k (17/18), £778k (18/19) This change could result in the removal of these project costs from programme plan.	None – reconsidered requirement for this service.

#### 5. Issues and Opportunities *New and Update*

Current challenges relate to lack of Programme Management capacity to progress projects at a desired pace. This is anticipated to be resolved over the coming months through the appointment of additional capacity.

#### 6. Major Risks *New and Update*

No major risks identified in current period.

#### 7. Outlook and Next Period

Anticipated milestones for the coming period include:

- Progress towards recruitment of Learning and Talent Lead Officer

## IT, Infrastructure and Data Sharing

### 1. Programme Summary and Anticipated Benefits

This **ENABLING** programme considers Infrastructure, ICT, Technology Enabled Care and Data Sharing, which present significant and complex challenges and opportunities, and are essential for realising our integration and transformation ambitions.

The delivery of activities within this work stream will be critical to supporting delivery of other transformation programmes, including: the Modernising Primary and Community Care programme, including the provision of smart devices to support our workforce directly caring for people in our communities; the Self-Management and Building Community Capacity programme, including the provision of technology enabled care to support people in communities to effectively self-manage their long term conditions.

### 2. Programme Status

Overall RAG Status:	<b>GREEN/ AMBER</b>
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### 3. Project progress during this period

Key milestones deliverables	Planned Date	Achieved Date	Update	Comments
Capacity in place to deliver programme activities	1/4/17	ongoing	ITPB approved proposal for additional resource to drive forward this workstream. Related expenditure was approved by IJB on 31/1/17. Recruitment processes are now underway in line with Partners standard processes.	
Partnership Website	31/3/18	ongoing	A brief for the new website is currently being developed, including plans for the technical development and content management of the site. It is planned to procure the technical development and employ content management/ marketing expertise on a two year fixed term period.	
Information Sharing Hub - Odro	31/12/17	Currently in trial phase	The "Odro" trial is currently ongoing, with 15 web based virtual meeting rooms available for use. Using these virtual meeting rooms reduces need to travel to meetings and does not require any specific software. "Attend Anywhere" (an alternative system) will also be considered during the one year trial phase. Odro supplier has now modified system to include an option for rooms to be "locked" in order to facilitate use for confidential meetings including clinical consultations.	The odro system presents a challenge in how it could be rolled out on a wider basis linked to how virtual room bookings can be managed. Potential solutions are being discussed with the supplier.

Management Systems Workstream (incl. HR systems, payments, expenses etc.)	31/10/17	ongoing	A list of NHS management systems in use has been drawn up. A list of Council systems is now in the process of being developed to add to this list.	As new managers move into posts supporting ACC and NHSG employees, it is important that access to appropriate systems is in place.
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#### 4. Change Control

Change	Impact	
	Budget/Resource	Schedule
No substantive changes during current period		

#### 5. Issues and Opportunities *New and Update*

Progress is slower than desired due to a general lack of project and programme management capacity. The required capacity required specific to ICT, Technology Enabled Care and Data Sharing has been identified and approved and is being progressed. It is hoped that this additional resource will be in place by April 2017.

#### 6. Major Risks *New and Update*

No major risks identified in current period.

#### 7. Outlook and Next Period

Anticipated milestones for the coming period include:

- Federate ACC and NHS emails and calendars through a common mailbox function – Office 365 will be rolled out as a trial with 30 users including ACC and NHSG employees.
- A review/ re-focus of the Technology Enabled Care priorities within this work stream, through the creation of a clear vision and framework.
- A preferred approach around data sharing and the development of Information Sharing Protocols will be presented to key stakeholders in February 2017, with a recommendation of forming a Grampian Data Sharing Board to drive forward some of the key challenges within this work stream.

# Modernising Primary & Community Care Programme

## 1. Programme Summary and Anticipated Benefits

This work stream includes a range of predominantly **TRANSFORMING** and **INNOVATION** projects:

- Collaborative working, in locality hubs, with increased pharmacist provision, social work links and GP led beds to help to reduce admissions to hospital
- locality hubs supported by the design of integrated health and care teams, and investigating new models such as Buurtzorg and Advanced Nurse Practitioners
- New service delivery models primary care and modernising of infrastructure

## 2. Programme Status

Overall RAG Status:	<b>GREEN/ AMBER</b>
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## 3. Project progress during this period

Key milestones deliverables	Planned Date	Achieved Date	Update	Comments
Service Plan for Modernisation of Primary Health and Care Services	July 2018	ongoing	Terms of Reference and Governance Paper has been developed along with PID.	Progress to deliver the plan is anticipated to be slower than planned due to delay in recruiting additional resource.
GP Practice new ways of working	No end date identified	ongoing	GP workshop planned to share and discuss different models for triage. Dyce and Denburn are currently scoping out options for collaborative working.	Define Stage.
Community and Locality Hubs	No end date identified	ongoing	Middlefield Community Hub incorporating Healthy Hoose is now operational (from 9/1/17). Frailty and Falls pathway being reviewed.	Define/ Implement stage.
Community Mental Health Hubs	March 2019	ongoing	Business case for creation of Community Mental Health Hubs within Localities approved at ITPB February 2017. Recruitment to the associated posts now progressing.	Test will run for an initial 2 year period and will be evaluated after one year of operation to ascertain benefits realised.
Buurtzorg Community Nursing and Care Teams	June 2018	ongoing	Work is ongoing to develop a comprehensive business case. It is planned to test this approach in two local communities. A governance and shadow operational group has been established to drive the project forward.	
GP Led Step up/ Step Down Care Home Beds	No end date identified	ongoing	Letter has gone to all GP practices with initial scoping questions. Outputs of this exercise and options appraisal will be considered by MPCC working group in March 2017.	Define stage.



Community Phlebotomy Service	31/12/17	ongoing	Community Phlebotomy service options appraisal complete and business case for preferred option being developed.	It is anticipated that benefits for this service will include releasing pressure on existing community nursing teams as well as releasing capacity.
Primary care capital developments	31/7/17	ongoing	All PPM documentation for Denburn Practice replacement now in place. Outline business case currently in development and scheduled for completion in Mar 17.	
Clinical Governance Intranet	31/3/19	Not yet commenced.	Agreed to proposal to develop Clinical Governance Intranet over a three year period at MPCC Working Group 14/12/16.	Dependent on funding being agreed from other 2 IJBs and NHS Modernisation.

#### 4. Change Control

Change	Impact	
	Budget/Resource	Schedule
New clinical roles – Primary Care Mental Health Community Hub, linked to bid to Scottish Government for Primary Care Mental Health monies. Change from proposal to create Link Worker posts to the creation of a more senior Clinical Psychologist role in the community. Considered and approved at ITPB on 6/12/16.	All Primary Care Mental Health Funding is now allocated to testing Community Mental Health Hubs. Link Workers are included, resourced and planned for in SMCC work stream.	No impact.

#### 5. Issues and Opportunities *New and Update*

Confirmation has been received that ACHSCP will receive £285,762 of funding for “Transforming Urgent Care”. This funding is for a single year and supporting projects are in process of being scoped.

Delays in additional Programme Management capacity

#### 6. Major Risks *New and Update*

No major risks identified in current period.

#### 7. Outlook and Next Period

Anticipated milestones for next reporting period include:

- Community Phlebotomy service business case anticipated to come to MPCC working group in March 2017.
- Options appraisal for GP led bed test of change in locality anticipated to come to MPCC working group in March 2017.

# Supporting Self-Management of Long Term Conditions and Building Community Capacity

## 1. Programme Summary and Anticipated Benefits

This work stream recognises that pressures on mainstream primary and community care services cannot be reduced through a “more of the same” approach. The work stream seeks to shift our relationship with communities to enable a more co-productive approach and to nudge the culture towards being more empowered and responsible in relation to ourselves and each other. A number of referrals and appointments in primary care currently relate to social issues and low level anxiety/ depression, and evidence exists that this can be reduced through “non-clinical” support and link resources, embedded in the community and our locality teams.

To deliver population level impact and change we need to go beyond small tests of change and develop at scale activities.

## 2. Programme Status

Overall RAG Status:	<b>GREEN/ AMBER</b>
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## 3. Project progress during this period

Key milestones deliverables	Planned Date	Achieved Date	Update	Comments
Working Group in place	December 2016	15/12/16	A working group to drive this programme of activity forward is now in place.	The group is now forming, however the delay in forming this working group has not hindered progress in some of the key associated projects.
Link Workers	March 2018	ongoing	A steering group is now in place and have developed: a detailed project plan; a brief for services. Following an event for General Practices in September 2016, 29 out of 30 practices have confirmed their interest in participating in the Links Approach. IJB approved expenditure relating to procurement in Jan 2017, and this process will now commence.	
Link App	July 2017	ongoing	Work is ongoing to map out those people in the city that “link” people and services. A Health Hack weekend considered potential options for “linking” together data and service/ community resources information.	

Community Builders	April 2018	ongoing	Work is ongoing to develop an implementation plan for Community Builders, paying attention to provide the environment to enable “bottom up” planning for this resource by communities.	This resource will build on the Asset Based Community Development promotional activities undertaken during 2015/16 (across our broader partnership).
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#### 4. Change Control

Change	Impact	
	Budget/Resource	Schedule
None during this reporting period		

#### 5. Issues and Opportunities *New and Update*

Current challenges relate to lack of Programme Management capacity to progress projects at a desired pace. This is anticipated to be resolved over the coming months through the appointment of additional capacity.

#### 6. Major Risks *New and Update*

No major risks identified in current period.

#### 7. Outlook and Next Period

Anticipated milestones for the coming period include:

- Development and specification of Care Navigators project.
- Commence procurement process for Link Worker Partner Provider.

## Strategic Commissioning

### 1. Programme Summary and Anticipated Benefits

The Partnership is required by legislation to publish a strategic commissioning plan and a market facilitation plan. The commissioning plan will translate the Partnership's plan into commissioning intentions for the next six years, whilst the market facilitation plan will in turn translate the commissioning intentions into specific information to help the market prepare for forthcoming opportunities. Five work streams have been established to develop commissioning intentions in priority areas: care at home; residential care; reablement service; out of hours and response services; and respite and daycare.

Anticipated benefits include contractual arrangements that are fit for purpose; more appropriate care models; improved quality of outcomes for individuals, particularly in terms of being supported to remain safely at home for longer; and improved efficiency.

### 2. Programme Status

Overall RAG Status:	<b>GREEN/ AMBER</b>
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### 3. Project progress during this period

Key milestones deliverables	Planned Date	Achieved Date	Update	Comments
Work streams established	Mid December 2016	End December 2016	Leads and team members for each workstream identified and briefed. Terms of reference for each workstream agreed.	Substitute lead was required and now identified for Respite and daycare work stream.
First workstream meetings held	End of December 2016	By February 2017	Dates scheduled for all meetings other than Respite and daycare	See above
Market facilitation plan steering group established	September 2016	September 2016	Terms of reference drafted for agreement in January Three meetings of the group have taken place and a further two scheduled	
"Product" templates drafted	End December 2016	Mid January 2017	Commissioning intentions template drafted Highlight report template drafted Market facilitation plan outline drafted	Report "spines" for commissioning plan and market facilitation plan not yet drafted

### 4. Change Control

Change	Impact	
	Budget/Resource	Schedule
No substantial changes during current reporting period		

### 5. Issues and Opportunities *New and Update*

The key challenges associated with this project are around capacity to carry out the substantial work required within the timescale available. It is becoming apparent that colleagues involved in the work streams, including those from Scottish Care and ACVO, are struggling to find the time to commit to the project. The ITPB (Feb 2017) supported the provision of resource to Scottish Care to enable additional capacity.

## **6. Major Risks** *New and Update*

A risk management plan has been produced. The top risks have been identified as:

- Failure to meet deadlines
- Failure to engage effectively with key stakeholders
- Uncertain political environment

Mitigating actions are in place for each of the risks identified.

## **7. Outlook and Next Period**

Anticipated milestones for next reporting period include:

- Draft commissioning intentions produced by each of the workstreams (end February/early March)
- Commissioning plan drafted (end March)
- Market facilitation plan drafted (end March)

DRAFT

## Acute Care @ Home

### 1. Programme Summary and Anticipated Benefits

We are seeking to develop a Hospital at Home service that will provide, initially for a limited time period, active treatment by appropriate professionals, in the individual's home, of a condition that would otherwise require acute hospital in-patient care.

The development of this **INNOVATIVE** new service fits with our ambition for our strategic intentions to have a greater preventative impact especially since we know that prolonged length of stay for the frail elderly and those with long term conditions can lead to a higher risk of acquired infection and other complications such as loss of confidence, function and social networks.

Increasingly, given the choice, individuals and their carers show a preference for receiving care at home, when they have confidence that it will be provided by skilled practitioners working collaboratively to ensure continuity of care.

### 2. Programme Status

Overall RAG Status:	<b>AMBER</b>
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### 3. Project progress during this period

Key milestones deliverables	Planned Date	Achieved Date	Update	Comments
Steering group established.		May 2016	A working group has also been established (as of October 2016) to focus on the required operational detail for this proposed service.	
Service Specification	May 2017	Ongoing	Specification is discussed at every meeting and continues to develop.	
2016/17 Budget	February 2017	Ongoing	Finance colleagues working on draft budget for proposed service.	

### 4. Change Control

Change	Impact	
	Budget/Resource	Schedule
No changes in current reporting period.		

### 5. Issues and Opportunities *New and Update*

Chief Officer has requested that an Options Appraisal is presented to the Exec team. This paper will address the delivery focus of this proposed service, namely:

- alternatives to admission
- alternatives to admission **and** effective, early discharge

Options appraisal will also address to what extent, if any the service will be available to those individuals who meet the referral criteria but who are resident in Aberdeenshire and registered with a City GP practice.

Steering group is being refreshed in January with additional representation from key sectors.

## 6. Major Risks

### *New and Update*

No major risks. There is a strong consensus on desirability of developing a hospital @ home service but some key elements require Exec. team decision.

## 7. Outlook and Next Period

Anticipated milestones for next reporting period include:

- Executive team decision regarding service emphasis and target population.
- Development of implementation plan including details of how and where service will commence its activities.
- Budget for service will be presented to steering group for discussion.

**Document Location**

This document is only valid on the day it was printed and the electronic version is located with the document owner (Integrated Localities Programme Manager)

**Revision History**

Version number	Revision date	Summary of changes	Changes marked
V1.0	20/12/16	1st draft	N/A
V2.0	5/2/17	Updated	no
V2.1	20/2/17	Updated	no

**Distribution**

This document has been distributed as follows

Name	Responsibility	Date of issue	Version
Integration & Transformation Programme Board	G Woodcock	20/12/16	V1.0
APS consultation list	S Gibbon		V2.0

**Purpose**

The purpose of a Highlight Report is to provide the Integration Joint Board/ Audit and Performance Systems Committee with a summary of the stage status at intervals defined by the board. The board will use the report to monitor stage and project progress. The Programme Manager (who normally produces the report) also uses the report to advise the Project Board of any potential problems or areas where the Board could help.

**Quality criteria**

- Accurate reflection of checkpoint information
- Accurate summary of Risk & Issue Logs
- Accurate summary of plan status
- Highlighting any potential problem areas