



Risk, Audit and Performance Committee

Minute of Meeting

Tuesday, 27 April 2021

10.00 am Virtual - Remote Meeting

Present: John Tomlinson (Chair); and Luan Grugeon, Councillor
Philip Bell, Councillor John Cooke and Alex Stephen

Also in attendance; Derek Jamieson (Clerk) and Kundai Sinclair (Solicitor)

Apologies: Sandra Macleod (Chief Officer)

The agenda, reports and meeting recording associated with this minute can be found [here](#).

Please note that if any changes are made to this minute at the point of approval, these will be outlined in the subsequent minute and this document will not be retrospectively altered.

DECLARATIONS OF INTEREST

1. There were no declarations.

DETERMINATION OF EXEMPT BUSINESS

2. There was no exempt business.

MINUTE OF PREVIOUS MEETING OF 26 JANUARY 2021

3. The Committee had before it the minute from its previous meeting.

The Committee resolved :-

to approve the minute as a correct record.

BUSINESS PLANNER

4. The Committee had before it the Business Planner.

Members heard from the Chief Finance Officer/Deputy Chief Officer who provided context around future reporting.

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Members were advised that the intended report referenced at line 16 - COVID-19, Social Care and Human Rights: Impact Monitoring Report would now feature in a report to the IJB on 25 May 2021.

The Committee resolved :-

- (i) to remove the proposed report referenced at Line 16 - COVID-19, Social Care and Human Rights: Impact Monitoring Report; and
- (ii) to otherwise note the business planner.

REVIEW OF LOCAL CODE OF GOVERNANCE - HSCP.21.037

5. The Committee had before it the report from the Chief Finance Officer, ACHSCP (CFO) which presented the review of the local code of corporate governance for the Integration Joint Board (IJB) previously agreed by Audit & Performance Systems Committee (APS) to allow the Committee to comment on the sources of assurances used to measure the effectiveness of the governance principles contained in the CIPFA\SOLACE *'Delivering Good Governance in Local Government: Framework'* document.

The CFO advised members of the background to this review and provided summary on the processes undertaken to deliver the review which included agreement from the constituent partners (Aberdeen City Council and NHS Grampian) on the activities and assurance provided.

Members were advised that the report formed an essential element of the Annual Governance Statement contained within the Audit Statement.

The report recommended :-

that the Committee approve the sources of assurance, as highlighted in Appendix A.

The Committee resolved :-

to approve the recommendation.

REVIEW OF FINANCIAL GOVERNANCE - HSCP.21.038

6. The Committee had before it the report from the Chief Finance Officer (CFO), ACHSCP which presented the results of the review undertaken by the Aberdeen City Health and Social Care Partnership (AHSCP) Leadership Team, as at Appendix A, against financial governance requirements contained in the Chartered Institute of Public Finance and Accountancy (CIPFA)'s statement on the *'Role of the Chief Financial Officer in Local Government (2016)'*.

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Members heard a summary of the report and that the CFO had been nominated the Deputy Chief Officer and been allocated additional responsibility.

Members stated that they wished assurance that the primary functions of the CFO would still be delivered and that the additional responsibilities would not impact on that role.

The report recommended :-

that the Committee note the content of the report and the accompanying results of the Executive team review contained at Appendix A.

The Committee resolved :-

- (i) to approve the recommendation; and
- (ii) to instruct the Chief Officer, ACHSCP, to review the role of the Chief Finance Officer to ensure sufficient support is available to allow the CFO to undertake the responsibilities allocated to the post and provide assurance to the Committee via a report when completed.

ANNUAL GOVERNANCE STATEMENT - HSCP.21.041

7. The Committee had before it the report from the Chief Finance Officer, ACHSCP which provided opportunity to comment on and approve in principle the Annual Governance Statement and agree that assurances on the government framework can be provided to Aberdeen City Council and NHS Grampian.

Members heard from the CFO who provided summary on the requirements to produce the Annual Governance Statement which had been produced in association and agreement with the constituent organisations.

Members heard from the Chief Internal Auditor who was in attendance and confirmed the description of actions provided by the CFO.

The report recommended :-

that the Committee -

- a) comment on and approve the governance statement at Appendix A; and
- b) note the statement from the Chief Internal Auditor at Appendix B.

The Committee resolved :-

to approve the recommendations.

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APPROVAL OF UNAUDITED ACCOUNTS - HSCP.21.040 - LATE REPORT

8. The Committee had before it the report from the Chief Finance Officer (CFO), ACHSCP which presented information to allow the Committee to review and comment on the unaudited final accounts for 2020/21.

Members heard from the CFO who advised it was an annual challenge to prepare and present the accounts for the required timeline and acknowledged the input of the Leadership Team in assisting.

The CFO advised that whilst the Accounts had been prepared against a constant changing environment due to pandemic impact, he was satisfied with them albeit attention was required in only two areas – the pension information and the redeployment figures. These had been managed with a 3% set aside consideration.

Members were advised that whilst the IJB held a £15.5 million reserve, this was ring fenced against additional pandemic costs and future spend in the following year.

The Chair indicated an appreciation of the timely preparation and delivery by the CFO and his team of the accounts. This was endorsed by the Committee.

The report recommended :-

that the Committee consider and comment on the Unaudited Final Accounts for 2020/21 at Appendix A.

The Committee resolved :-

- (i) to approve the recommendation; and
- (ii) to acknowledge and endorse the efforts of the Chief Finance Officer and the Leadership Team in preparation and delivery of the Unaudited Accounts in a quick manner.

FINANCIAL MONITORING 31 MARCH 2021 - HSCP.21.049 - LATE REPORT

9. The Committee had before it the report from the Chief Finance Officer (CFO), ACHSCP which presented information to the Committee to review and comment on the unaudited final accounts for 2020/21.

The CFO provided members with a summary of the report which was presented in the similar format to previous reports.

Members heard of shifts in financial demand due to the pandemic and the volume of activity to plan and revisit spending which had added to the required virements.

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Members discussed these challenges and explored areas of financial risk and mitigation and of the opportunities to influence the wider 'lessons learned' report being developed for the IJB.

The Chair stated his appreciation of the work of the CFO and his team which had assisted both the Committee and the IJB to discharge its responsibilities.

Members agreed that this should be recorded within the minute.

The report recommended :-

that the Committee –

- a) note the report in relation to the Integration Joint Board (IJB) budget and the information on areas of risk and management action that are contained therein; and
- b) approve the budget virements indicated in Appendix F

The Committee resolved :-

- (i) to approve the recommendations; and
- (ii) to acknowledge the unique and at times difficult environment navigated over the pandemic periods and appreciate the work of the Chief Finance Officer and his team which has assisted the Committee and the IJB to discharge its responsibilities.

REVIEW OF DUTIES & YEAR END REPORT - HSCP.21.042

10. The Committee had before it the report from the Chief Finance Officer (CFO), ACHSCP which presented the review of reporting for 2020-21 and an intended schedule of reporting for 2021-2022 to ensure that the Committee is fulfilling all the duties as set out in its terms of reference.

The CFO provided members with a summary of activities and actions taken during the preceding year to provide assurance to the Committee.

The Chair remarked on the positive position delivered against the background of response required to the pandemic.

Members questioned the availability of assurances from partners who were delivering hosted services on behalf of the IJB and were advised that the CFO will review this and report back to Committee.

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The report recommended :-

that the Committee note the content of Appendix A – Risk, Audit & Performance Duties report.

The Committee resolved :-

- (i) to approve the recommendation; and
- (ii) to note that Duty 10 (Support the IJB in delivering and expecting cooperation in seeking assurance that hosted Services run by partners are working) will be reviewed and addressed to the Committee on 23 September 2021.

DIRECTIONS UPDATE - HSCP.21.034

11. The Committee had before it the report from the Chief Finance Officer (CFO), ACHSCP which presented an update on Directions instructed to Aberdeen City Council (ACC) and NHS Grampian (NHSG) since the previous report to the September 2020 RAPC.

Members heard that the Directions update would be presented to Committee every six months as indicated on the Planner.

The report recommended :-

that the Committee note the contents of the report.

The Committee resolved :-

to approve the recommendation.

INTERNAL AUDIT ANNUAL REPORT 2020-21 - HSCP.21.044

12. The Committee had before it the report from the Chief Finance Officer, ACHSCP which presented the Internal Audit Annual Report for 2020/2021.

Members heard from the (Interim) Chief Internal Auditor who advised that whilst there had been fewer audits completed due to the pandemic, those audits conducted had not been limited in scope.

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The report recommended :-

that the Committee -

- a) note the Internal Audit Annual Report 2020/21;
- b) note that the Chief Internal Auditor has confirmed the organisational independence of Internal Audit;
- c) note that there has been no limitation to the scope of Internal Audit work during 2020/21; and
- d) note the progress that management has made with implementing recommendations agreed in Internal Audit reports.

The Committee resolved :-

to approve the recommendations.

EXTERNAL AUDIT STRATEGY 2020/21 - HSCP.21.036

13. The Committee had before it the report from the External Auditor, KPMG which presented the draft external audit strategy for consideration.

Members heard from the External Auditor who provided explanation of the governance appointment of KPMG to this role which had been extended by Scottish Government from 5 to 6 years; this was the 5th Annual Report.

Members were advised that the strategy followed legislative requirements and industry practice and was similar in presentation to those presented over previous years.

The report recommended :-

that the Committee approve the approach to external audit, as outlined in Appendix A.

The Committee resolved :-

to approve the recommendation.

INSPECTION OF JUSTICE SOCIAL WORK SERVICE - HSCP.21.035

14. The Committee had before it the report from the Lead for Social Work, ACHSCP which presented the recent publication by the Care Inspectorate of its inspection report in relation to the ACHSCP's justice social work service which had also been presented to the Integration Joint Board (IJB) on 23 March 2021, and to the Clinical Care & Governance Committee (CCGC) on 6 April 2021.

Members heard from the Planning and Development manager, ACHSCP who explained the history and governance surrounding the inspection which had been interrupted during the pandemic.

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Members were advised that the justice social work service had completed a self-assessment as part of the process and that the Care inspectorate had made particular reference to the honesty and depth of that assessment.

Members heard that a development plan would follow from the report's findings which would be presented to the IJB.

The report recommended :-

that the Committee note the contents of the published inspection report.

The Committee resolved :-

- (i) to approve the recommendation;
- (ii) to note that a delivery plan will be presented to the IJB; and
- (iii) to add the Committee's appreciation and acknowledgement to those previously recorded at the IJB.

LOCAL GOVERNMENT IN SCOTLAND: FINANCIAL OVERVIEW 2019/20 - HSCP.21.016

15. The Committee had before it the report from the Chief Finance Officer, ACHSCP.

The report presented information on two National Audits ; the Audit Scotland Financial Overview Report as published by the Accounts Commission from their high-level independent analysis of the financial performance of councils and Integration Joint Boards (IJBs) during 2019/20 and their financial position at the end of that year; and the National Health Service in Scotland 2020 Report as published by the Auditor General for Scotland.

The Chair advised members that the '*Guide for audit and risk committees*' referenced at page 180 of the pack was a useful guide to members.

The report recommended :-

that the Committee –

- a) note the content of Appendix A - the Local Government Financial Overview report 2019/20; and
- b) note the content of Appendix B – National Health Service in Scotland 2020 report.

The Committee resolved :-

to approve the recommendations.

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INCLUSION OF ADDITIONAL RISK - HSCP.21.043

16. The Committee had before it the report from the Chief Officer, ACHSCP which presented the outcome of a review of the Aberdeen City Health & Social Care Partnership's (ACHSCP) Strategic Risk Register to reflect current business responsibilities.

Members heard from the Business Manager, ACHSCP who provided a summary of the report and specifics on each of the referenced risks.

Members were advised that NHS Grampian would be included in discussions around the risks, particularly around Risk 10 – EU Exit.

The report recommended :-

that the Committee –

- a) **Add Risk 11:** consider Appendix A, the proposed addition to the Strategic Risk Register relating to the Integration Joint Board's (IJB) duties under the Civil Contingencies Act 2004; make comments and observations on the draft risk and endorse their concluded view to the Integration Joint Board at its meeting of 25 May 2021;
- b) **Remove Risk 10:** consider removing Risk 10 (EU Exit) from the Strategic Risk Register, as detailed in the report and endorse their conclusions on this to the Integration Joint Board at its meeting of 25 May 2021; and
- c) **Note review of Risk 3:** to note that a review of Risk 3 (Hosted Services) will be presented to the RAPC meeting in September 2021.

The Committee resolved :-

to consider the report and Appendix A and -

- (i) to endorse inclusion of Risk 11 (the Integration Joint Board's (IJB) duties under the Civil Contingencies Act 2004) within the IJB Strategic Risk Register and to engage with NHS Grampian to develop further understanding of the risk and potential mitigation;
- (ii) to endorse recommendation of removal of Risk 10 (EU Exit) from the Strategic Risk Register and include EU related workforce issues within Risk 9; and
- (iii) to note that a review of Risk 3 (Hosted Services) will be presented to the Committee on 23 September 2021.

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OPERATION HOME FRONT UPDATE REPORT - HSCP.21.033

17. The Committee had before it the report from the Chief Officer, ACHSCP which provided progress on the evaluation of the Aberdeen City Priorities relating to Operation Home First (OHF). In particular, the report was predominantly to provide assurance that a robust process has been implemented to evidence the impact of this portfolio.

Members heard from the Lead for Research and Evaluation, ACHSCP who provided an update on activities undertaken and planned around the project which involved partnership working and involved a cross service team involving Public Health Scotland and NHS Scotland Health Intelligence.

Members were reminded that updates on OHF are a Standing Item to report to the Committee.

The report recommended :-

that the Committee –

- a) note the information provided in the report; and
- b) note that OHF Update is a standing item on the Committee business planner and further updates will be provided as agreed.

The Committee resolved :-

to approve the recommendations.

CONFIRMATION OF ASSURANCE

18. The Chair enquired of Members regarding the degree of assurance received and/or sought during the meeting.

The Committee resolved :-

to note they had received Confirmation of Assurance from the reports and associated discussions presented and that further assurance had been evidenced by the activity of all staff in not only producing the necessary information but also by the delivery and modifications of processes and services in a regular and sustained manner.

- **JOHN TOMLINSON, Chair**