



## **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.**