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A meeting of the **Health & Social Care Integration Joint Board Audit Committee** will be held on **Thursday, 9th December, 2021** at **1.00 pm** in Via Teams

AGENDA

Time	No		Lead	Paper
1.00	1	ANNOUNCEMENTS & APOLOGIES	Chair	Verbal
1.01	2	DECLARATIONS OF INTEREST <i>Members should declare any financial and non financial interests they have in the items of business for consideration, identifying the relevant agenda item and the nature of their interest</i>	Chair	Verbal
1.02	3	MINUTES OF PREVIOUS MEETING 14.06.21 20.10.21 Extra Ordinary	Chair	Attached
1.05	4	MATTERS ARISING Action Tracker	Chair	Attached
1.06	5	FOR DECISION		
	5.1	Directions Policy and Procedure	Chief Officer	Appendix-2021-AC12
	5.2	IJB Strategic Commissioning Approach	Chief Officer	Appendix 2021-AC13
2.00	6	FOR DISCUSSION/NOTING		
	6.1	Progress on Implementation of Internal Audit Recommendations	Chief Internal Auditor	Appendix 2021-AC14

6.2		Progress Update on Delivery of Internal Audit Annual Plan 2021/22 for Scottish Borders Health and Social Care Integration Joint Board	Chief Internal Auditor	Appendix 2021-AC15
3.00	7	ANY OTHER BUSINESS	Chair	Verbal
3.05	8	DATE AND TIME OF NEXT MEETING Monday 14 March 2022, 2.00pm to 4pm, via Microsoft Teams Monday 13 June 2022 Monday 12 September 2022 Monday 12 December 2022 All 2022 meeting dates are subject to approval by the IJB on 15.12.21	Chair	Verbal

Membership of Committee:-

Mrs K Hamilton (Chair), Councillor T Weatherston, Councillor J Linehan, Mrs L O'Leary and Mr J Wilson

Iris Bishop, Board Secretary, Health & Social Care Integration Joint Board/Borders NHS Board
Tel: 01896 825525 Email: iris.bishop@borders.scot.nhs.uk



Minute of the meeting of **SCOTTISH BORDERS HEALTH & SOCIAL CARE INTEGRATION JOINT BOARD AUDIT COMMITTEE** held on 14 June 2021 at 2.00pm via Microsoft Teams.

Present: Mrs K Hamilton, Chair NHS Borders (Chair)
Mrs L O’Leary, Non Executive, NHS Borders
Cllr J Greenwell, Elected Representative, Scottish Borders Council
Cllr T Weatherston, Elected Representative, Scottish Borders Council
Mr J Wilson, Lay Member

In attendance: Mr R McCulloch-Graham, Chief Officer Health & Social Care
Mrs J Stacey, Chief Internal Auditor
Mr A Haseeb, Audit Scotland
Miss I Bishop, Board Secretary
Mr P McMenamin, IJB Business Partner NHS

1. Apologies and Announcements

Apologies had been received from Mr Andrew Bone, Director of Finance, NHS Borders, Mrs Gillian Woolman, Audit Scotland, Ms Sue Holmes, Principal Internal Auditor.

The Chair confirmed the meeting was quorate.

2. Declarations of Interest

The Chair sought any verbal declarations of interest pertaining to items on the Agenda.

The **SCOTTISH BORDERS HEALTH & SOCIAL CARE INTEGRATION JOINT BOARD AUDIT COMMITTEE** noted there were none.

3. Minute of Previous Meeting

The minutes of the previous meeting of the Integration Joint Board Audit Committee held on 8 March 2021 were approved.

4. Matters Arising

4.1 Mr Jim Wilson referred to a previous conversation in regard to a “question time type exercise” and sought an update. Mr Rob McCulloch-Graham advised that two “live conversations” had taken place with Mr Ralph Roberts, Chief Executive, NHS Borders and himself answering questions. The sessions had been chaired by Mrs June Smyth, Director of Planning & Performance, NHS Borders. The first session was attended by 16 people and 7 people attended the second session. The lessons learnt from those 2 sessions included: being more proactive in advertising; refining the format; considering whether to continuing to

host them jointly with Health or undertake them as a single conversation concentrating on the delegated services to the IJB; and looking at ways to reach the harder to reach groups.

4.2 Mr Wilson enquired if the public Board meetings were well advertised and attended. Mr McCulloch-Graham advised that the Integration Joint Board meetings were held in public. They were advertised and papers made available to the public via the Scottish Borders Council website. Consideration was likely to be given to live streaming of the meetings in future.

4.3 Action 10: Mr McCulloch-Graham advised that he would circulate the Delayed Discharges Audit Report to the Committee. The action would then be closed on the action tracker.

The **SCOTTISH BORDERS HEALTH & SOCIAL CARE INTEGRATION JOINT BOARD AUDIT COMMITTEE** noted the action tracker.

5. Scottish Borders Health and Social Care Integration Joint Board Audit Committee Annual Report 2020/21

Discussion focused on: the potential for informal sessions to be held alongside formal meetings to provide an opportunity for members of the Committee to develop and fulfil their remit; the mechanism to match overspends with assurance statements; financial carry forwards by the IJB for ring fenced funding of functions; and reference to the diagram in the Strategic Plan which showed the funding flows in to and out of the IJB.

Cllr Tom Weatherston noted that the attendance record for the IJB Audit Committee was excellent.

The **SCOTTISH BORDERS HEALTH & SOCIAL CARE INTEGRATION JOINT BOARD AUDIT COMMITTEE** approved the IJB Audit Committee Annual Report 2020/21 (Appendix 1) which incorporates its self-assessments (Appendices 2 and 3) using the CIPFA Audit Committees Guidance; and

The **SCOTTISH BORDERS HEALTH & SOCIAL CARE INTEGRATION JOINT BOARD AUDIT COMMITTEE** agreed that the IJB Audit Committee Annual Report 2020/21 (Appendix 1) should be presented to the IJB.

The **SCOTTISH BORDERS HEALTH & SOCIAL CARE INTEGRATION JOINT BOARD AUDIT COMMITTEE** agreed that regular information sessions should be set up on budget assurance, etc.

6. Scottish Borders Health and Social Care Integration Joint Board Internal Audit Annual Assurance Report 2020/21

Mrs Jill Stacey provided an overview of the content of the report.

Cllr John Greenwell noted the increase in reserves and enquired if they were unrestricted reserves or ring fenced. Mr Rob McCulloch-Graham commented that the vast majority were ring fenced, although there was some limited flexibility on how they could be utilised. He

referenced the Primary Care Improvement Plan funding where some programmes overlapped with existing services outwith primary care such as some mental health services, so there could be some slight flexibility on the funding, but it would be limited.

Mr Paul McMenemy advised the Committee that in regard to reserves, the reserves policy had been enacted at the end of 2020. Advice had been taken from the Independent Auditor to enact the policy and the reserves fund had increased. He advised that a significant proportion of the reserves were ring fenced and related to funding allocations from the Scottish Government. Benchmarking had been carried out against other partnerships and he assured the Committee that the position in Scottish Borders was not disproportionate.

Cllr Tom Weatherston enquired if the shortage of workforce and increased rates of pay in the hospitality sector would further impact on the ability to recruit to social care staff. The Chair commented that the health sector was also finding it difficult to recruit staff. She further commented that the Feeley Report had recognised there was a need for a career structure to be put in place for those staff and the work they undertook had been undervalued.

Mr Jim Wilson enquired about progress with the appointment of a Chief Financial Officer. Mr McCulloch-Graham commented that it had been difficult to recruit to that position and Mr McMenemy had carried most of the burden of that role with Mr David Robertson, Chief Financial Officer, Scottish Borders Council and Mr Andrew Bone, Director of Finance, NHS Borders fulfilling the statutory requirements of the position. It remained a priority to recruit to the position.

Mrs Stacey highlighted Appendix 2 of the report and sought any feedback on the contents.

The **HEALTH & SOCIAL CARE INTEGRATION JOINT BOARD AUDIT COMMITTEE** considered the Internal Audit Annual Assurance Report 2020/21 for the Scottish Borders Health and Social Care Integration Joint Board (Appendix 1), and provide any comments.

The **HEALTH & SOCIAL CARE INTEGRATION JOINT BOARD AUDIT COMMITTEE** considered the list of Internal Audit reports by partners' Internal Auditors presented to their respective Audit Committees that are relevant to SBIJB for assurance purposes (Appendix 2), consider the assurances contained therein, and provide any commentary thereon.

7. Annual Governance Statement 2020/21 of the Scottish Borders Health and Social Care Integration Joint Board

Mr Rob McCulloch-Graham recorded his thanks to Mr Paul McMenemy for all of the work he had carried out on the Annual Governance Statement. The Chair echoed Mr McCulloch-Graham's comments.

The **SCOTTISH BORDERS HEALTH & SOCIAL CARE INTEGRATION JOINT BOARD AUDIT COMMITTEE** considered the details of the Annual Governance Statement 2020/21 for the Scottish Borders Health and Social Care Integration Joint Board (Appendix 1) to ensure it reflects the risk environment and governance in place to achieve objectives, and acknowledges the actions identified by Management to improve internal controls and governance arrangements; and

The **SCOTTISH BORDERS HEALTH & SOCIAL CARE INTEGRATION JOINT BOARD AUDIT COMMITTEE** approved that it be published in the Annual Report and Accounts 2020/21 of the Scottish Borders Health and Social Care Integration Joint Board.

8. Scottish Borders Integration Joint Board Annual Accounts 2020/21 (Unaudited)

Mr Paul McMenamin provided an overview of the content of the annual accounts. He drew the attention of the Committee to the legislative requirement for the annual accounts to be signed off by the IJB Chief Financial Officer. The previous year Mr David Robertson had signed the accounts in that role and it was intended that he would again sign off the accounts in that role for the IJB for 2020/21.

Mr Jim Wilson enquired to what extent planning ahead was taking in place in regard to population demographics in 5 and 10 years time and provision of care homes, reablement and care packages that would be required. Mr McCulloch-Graham commented that it was a pertinent question and predictions and modelling were constantly undertaken.

Further discussion focused on: the potential for a role for public health in proper clinically led needs assessments; the knock on effect on services of people retiring in the Scottish Borders; the recognition of the appointment of Linda Jackson, LGBTPlus as a non voting member of the IJB; and the requirement to hold an extra ordinary Audit Committee in October to sign off the annual accounts for submission to the IJB for formal approval.

The **HEALTH & SOCIAL CARE INTEGRATION JOINT BOARD AUDIT COMMITTEE** noted the 2020/21 Annual Accounts (unaudited).

The **HEALTH & SOCIAL CARE INTEGRATION JOINT BOARD AUDIT COMMITTEE** approved their submission to the External Auditor (Audit Scotland) for their annual audit review.

9. Work Programme 2021/22 for the Auditor General for Scotland and the Accounts Commission

The **SCOTTISH BORDERS HEALTH & SOCIAL CARE INTEGRATION JOINT BOARD AUDIT COMMITTEE** noted the details of the Work Programme 2021/22 for the Auditor General for Scotland and the Accounts Commission.

The **SCOTTISH BORDERS HEALTH & SOCIAL CARE INTEGRATION JOINT BOARD AUDIT COMMITTEE** agreed to consider the relevant reports when they are published on the Audit Scotland website.

10. Any Other Business

The Chair confirmed that none had been notified.

11. Date and Time of Next Meeting

The Chair confirmed that the next scheduled meeting of the IJB Audit Committee would be held on Monday 13 September 2021 at 2.00pm via Microsoft Teams, however an Extra

Ordinary meeting of the Audit Committee would be held at 10am on Wednesday 20 October 2021 to approve the 2020/21 Annual Accounts.

The meeting concluded at 3.31pm.

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Minute of the Extra Ordinary meeting of Scottish Borders Health & Social Care Integration Joint Board Audit Committee held on 20 October 2021 at 10.08am via Microsoft Teams.

Present: Mrs K Hamilton, Chair NHS Borders (Chair)
Mrs L O'Leary, Non Executive, NHS Borders

In attendance: Mr R McCulloch-Graham, Chief Officer Health & Social Care
Mrs J Stacey, Chief Internal Auditor
Mr A Haseeb, Audit Scotland
Mrs G Woolman, Audit Scotland
Mr G Samson, Audit Scotland
Mrs S Holmes, Internal Auditor, SBC
Mr D Robertson, Chief Financial Officer, SBC
Miss I Bishop, Board Secretary
Mr P McMenamin, IJB Business Partner NHS

1. Apologies and Announcements

- 1.1 Apologies had been received from Cllr Tom Weatherston, Mr Jim Wilson, Lay Member, Cllr Jenny Linehan, Mr Andrew Bone, Director of Finance, NHS Borders.
- 1.2 The Chair confirmed the meeting was not quorate.

2. Declarations of Interest

- 2.1 The Chair sought any verbal declarations of interest pertaining to items on the Agenda.

The **SCOTTISH BORDERS HEALTH & SOCIAL CARE INTEGRATION JOINT BOARD AUDIT COMMITTEE** noted there were none.

3. Minute of Previous Meeting

- 3.1 The minutes of the previous meeting of the Integration Joint Board Audit Committee held on 14 June 2021 were accepted as a true record and would be submitted to the next quorate meeting for formal approval.

4. Matters Arising

- 4.1 **Action 1:** Mrs Jill Stacey commented that there had been benefit in the chairs of the Audit Committees for the partners meeting informally and advised that she would again revisit that initiative.

The **SCOTTISH BORDERS HEALTH & SOCIAL CARE INTEGRATION JOINT BOARD AUDIT COMMITTEE** noted the action tracker.

5. 2020/21 Annual Audit Report

- 5.1 Mrs Gillian Woolman provided an indepth explanation of the content of the report. She advised that the audit had now concluded and all audit work had been undertaken in compliance with national standards on auditing. She emphasised that there were no unadjusted items to be corrected in the accounts at that stage. She confirmed that she intended to provide an unmodified audit opinion.
- 5.2 The Chair commented that progress had been made in regard to the appointment of a Chief Officer from 1 November with the impending retirement of Mr Rob McCulloch-Graham at the end of the October.
- 5.3 The Chair recorded the thanks of the Audit Committee to Mr McCulloch-Graham for his support during the past four years.
- 5.4 Mr David Robertson highlighted Exhibit 3 in the report and sought clarity on the content as whilst the figures were correct it looked slightly confusing in its presentation. Mr Graeme Samson advised that the report was the final draft and he would amend Exhibit 3 in the final report that would be available once the certificates has been signed.

The **HEALTH & SOCIAL CARE INTEGRATION JOINT BOARD AUDIT COMMITTEE** noted the 2020/21 Annual Audit Report.

6. Scottish Borders Integration Joint Board Annual Accounts 2020/21 (Audited)

- 6.1 Mr David Robertson provided an overview of the report and highlighted several key elements including: the main structure of the accounts and that the audit had been concluded as set out in paragraph 2.2; the need to appoint to a permanent Chief Financial Officer for the IJB; and the role of Mr Robertson as the interim CFO and that would be recorded on the letter of representation.
- 6.2 Mr Asif Haseeb commented that all signatures to the accounts would be taken forward through the electronic signature system and there were some minor typographical errors in the reports that would be amended prior to final sign off.
- 6.3 Mrs Jill Stacey highlighted that there had been an amendment made to the governance statement to reflect the Board decision on timings and plans for the review of the Scheme of Integration.

The **HEALTH & SOCIAL CARE INTEGRATION JOINT BOARD AUDIT COMMITTEE** noted the 2020/21 Annual Accounts (audited).

The **HEALTH & SOCIAL CARE INTEGRATION JOINT BOARD AUDIT COMMITTEE**, whilst not quorate, recommended the report and the 2020/21 Annual Accounts be approved by the IJB.

7. Any Other Business

The Chair confirmed that no further business had been notified.

8. Date and Time of Next Meeting

The Chair confirmed that the next scheduled meeting of the IJB Audit Committee would be held on Monday 6 December 2021 at 2.00pm via Microsoft Teams, however due to apologies received a new date in December would be identified.

The meeting concluded at 10.35am.


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Scottish Borders Health & Social Care Integration Joint Board Audit Committee



Action Tracker

Meeting Date: 14 June 2021

Action Number	Reference in Minutes	Action	Action by:	Timescale	Progress	RAG Status
1	5	The SCOTTISH BORDERS HEALTH & SOCIAL CARE INTEGRATION JOINT BOARD AUDIT COMMITTEE agreed that regular information sessions should be set up on budget assurance, etc.	Jill Stacey	December 2021		

Key:	
	Overdue / timescale TBA
	<2 weeks to timescale
	>2 weeks to timescale
Blue	Complete – Items removed from action tracker once noted as complete at each H&SC IJB Audit Committee meeting

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*Scottish Borders Health & Social Care
Integration Joint Board*



Meeting Date: 15 December 2021

Report By:	Chris Myers, Chief Officer Health & Social Care
Contact:	Chris Myers, Chief Officer Health & Social Care
Telephone:	Contact via MS Teams
DIRECTIONS POLICY AND PROCEDURE	
Purpose of Report:	To seek approval for the enclosed Directions Policy and Procedure which has been developed in line with the provisions of the Public Bodies (Joint Working) (Scotland) Act 2014 and statutory guidance from the Scottish Government.
Recommendations:	<p>The Health & Social Care Integration Joint Board is asked to:</p> <ul style="list-style-type: none"> a) Note the content of this report, the requirements of the Public Bodies (Joint Working) (Scotland) Act 2014 and the statutory guidance issued by the Scottish Government in January 2020 in relation to Directions; and b) Approve the IJB Directions Policy and Procedure and IJB Directions template set out in Appendices 1 and 2 of this report
Personnel:	No staffing implications
Carers:	The new policy and procedure will ensure consultation through the Strategic Planning Group on new Directions before they are considered by the Integration Joint Board.
Equalities:	When required, Equality and Diversity Impact Assessments will be carried out as part of the planning and implementation processes undertaken by the IJB, and the Health and Social Care Partnership
Financial:	There are no financial implications. However the use of Directions should improve the Integrated Joint Board's financial oversight
Legal:	The policy ensures compliance with the provisions of the Public Bodies (Joint Working) (Scotland) Act 2014
Risk Implications:	Appropriate use of the Directions Policy and Procedure should reduce the level of risk to the Integrated Joint Board, NHS Borders and the Scottish Borders Council

Directions Policy and Procedure

Scottish Borders Integration Joint Board

1. Purpose

The Policy and Procedure seeks to enhance the governance, transparency and accountability between the Scottish Borders Integration Joint Board (SBIJB) and partner organisations NHS Borders and the Scottish Borders Council, by clarifying responsibilities. The Policy and Procedure has been developed to ensure compliance with Scottish Government statutory requirements and guidance on Directions. This policy sets out the process for formulating, approving, issuing and reviewing Directions.

This Policy and Procedure has been developed in line with the provisions set out in the Public Bodies (Joint Working) (Scotland) Act 2014¹ and Scottish Government best practice guidance².

2. Policy

2.1. Legislative and policy framework

The Public Bodies (Joint Working) (Scotland) Act 2014 (the Act) states that an Integration Joint Board must give a Direction to a constituent authority to carry out each function delegated to the integration authority.

The responsibility for decisions about the planning and strategic commissioning of all health and social care functions that have been delegated to the IJB sits wholly with the IJB as a statutory public body.

The Act further places a duty on Integration Authorities to develop a strategic plan for integrated functions and budgets under their control. Integration Authorities require a mechanism to action these strategic commissioning plans and this mechanism takes the form of binding Directions from the Integration Authority to one or both of the Health Board and Local Authority.

In February 2016, the Scottish Government issued a 'Good Practice Note' on the use of Directions. The final report of the Ministerial Strategic Group (MSG) Health and Community Care Review of Progress with Integration, published February 2019, proposed enhanced governance and accountability arrangements.

2.2. Definition and purpose of Directions

Directions are a legal mechanism intended to clarify responsibilities requirements between partners. Directions are the means by which the SBIJB directs NHS Borders and the Scottish Borders Council how services are to be delivered using the integrated budget (i.e. the budget which is allocated to the SBIJB and for which the SBIJB is responsible).

The primary purpose of Directions are to set a clear framework for the operational delivery of the functions that have been delegated to the SBIJB and to convey the decision(s) made by the SBIJB about any given function(s)³.

¹ Public Bodies (Joint Working) (Scotland) Act 2014. Available from: https://www.legislation.gov.uk/asp/2014/9/pdfs/asp_20140009_en.pdf

² Scottish Government. Good Practice Note. Directions from integration authorities to health boards and local authorities: guidance. Available from: <https://www.gov.scot/publications/good-practice-note-directions-integration-authorities-health-boards-local-authorities/>

In line with national guidance on good practice, clear Directions must be given in respect of every function that has been delegated to the SBIJB. They must provide sufficient detail to enable NHS Borders and the Scottish Borders Council to discharge their statutory duties under the Act. Specific Directions can be given to NHS Borders, the Scottish Borders Council or both organisations depending on the services to be provided (Appendix B includes the Direction template to be used). However, Directions should not be issued unnecessarily and should be proportionate.

Directions must identify the integrated health and social care function it relates to and include information on the financial resources that are available for carrying out this function. The financial resource allocated to each function is a matter for the SBIJB to determine. The Act makes provision for the allocations of budgets for the sums 'set aside' in relation to commissioned services within large hospitals and finance statutory guidance published in 2015 provides detail⁴.

Directions must also provide information on the delivery requirements. Directions may, if appropriate, specify a particular service or services to be provided.

In summary, the purpose of Directions is to set a clear framework for the operational delivery of the functions that have been delegated to the SBIJB and therefore all Directions must be in writing. Functions may be described in terms of delivery of services, achievement of outcomes and/or the strategic plan priorities.

The legislation does not set out fixed timescales for Directions. A Direction will stand until it is revoked, varied or superseded by later Direction in respect in the same function.

³ Scottish Government. Directions from integration authorities to health boards and local authorities: statutory guidance. Available from: <https://www.gov.scot/publications/statutory-guidance-directions-integration-authorities-health-boards-local-authorities/>

⁴ Scottish Government. Financial planning for large hospital services and hosted services: guidance. Available from: <https://www.gov.scot/publications/guidance-financial-planning-large-hospital-services-hosted-services/>

3. Procedure

3.1. Formulating Directions

As noted in the policy section, Directions provide the mechanism for delivering the strategic plan, for conveying and enacting the decisions of the SBIJB, clarifying responsibilities between partners, and improving accountability.

Moving forward, Directions will be clearly associated with an SBIJB decision, for example to approve a specific business case or to transform a service. Directions are formulated at the end of a process of decision-making which has included wider engagement with partners as part of commissioning and co-production. This will include consideration by the Strategic Planning Group prior to issuing to the SBIJB for review. A Direction should therefore not come as a surprise to either partner.

The development of new or revised Directions will be informed by a number of factors, including but not limited to:

- Content of the SBIJB's strategic plan which is reviewed annually and produced every 3-5 years
- Specific service redesign or transformation programmes linked to an approved business case
- Financial changes or developments (eg additional funding opportunities, matters relating to set-aside budgets or requirement to implement a recovery plan)
- A change in local circumstances
- A fundamental change to practice or service

The SBIJB's Strategic Planning Group (SPG) has responsibility for considering all draft business cases before submission to the SBIJB and overseeing the delivery of the strategic plan and therefore will play a key role in helping to shape Directions.

As Directions will continue to evolve in response to service change/redesign and investment priorities, new or revised Directions may be formulated at any point during the year and submitted to the SBIJB for approval. Please refer to the section below 'Approving and issuing Directions' for further detail.

3.2. Approving and issuing Directions

The SBIJB is responsible for approving all Directions. All reports to the SBIJB will identify the implications for Directions and will make a clear recommendation regarding the issuing of Directions, for example if a new Direction is required, or an existing Direction is to be varied or revoked. The detail of the new or revised Direction will be appended to the SBIJB report using the agreed tracker template and will be submitted to the SBIJB for approval.

Once approved, written Directions will be issued formally by the Chief Officer, on behalf of the SBIJB, to the Chief Executives of both partner organisations (NHS Borders and the Scottish Borders Council) as soon as practicably possible. Partners will be asked to acknowledge receipt of Directions and advised of performance reporting arrangements (as indicated in the section below).

Best practice denotes that Directions will be reviewed and issued at the start of the financial year. However, in order to provide flexibility and take account of strategic and financial developments and service changes, or a change in local circumstances, Directions may be issued at any time, subject to formal approval by the SBIJB.

3.3. Implementation of Directions

NHS Borders and the Scottish Borders Council are responsible for complying with and implementing SBIJB's Directions. Should either partner experience difficulty in implementing a Direction, or require further detail regarding expectations, this should be brought to the attention of the Chief Officer in the first instance.

Initially, the Chief Officer will seek to resolve issues, liaising with and involving the SBIJB Chair or Vice-Chair accordingly. If resolution proves difficult, for example if issues are particularly complex, the SBIJB will be informed prior to initiating the dispute resolution mechanism outlined in the SBIJB's Code of Corporate Governance⁵.

3.4. Monitoring and review of Directions

A Directions tracker will be used as the template for monitoring progress on the delivery of each Direction on a six monthly basis. The SBIJB's Audit Committee will assume responsibility for maintaining an overview of progress with the implementation of Directions, requesting progress reports from NHS Borders and the Scottish Borders Council, and escalating key delivery issues to the SBIJB. Directions issued at the start of the year should be subsequently revised during the year in response to developments. The responsibility for maintaining an overview of Directions and ensuring that these reflect strategic needs and priorities sits with the Planning and Performance support team to the SBIJB.

The Chief Officer and Chief Financial Officer will ensure that all Directions are reviewed annually through the work of the Audit Committee. Recommendations for variation, closure and new Directions will be brought to the SBIJB at the start of each financial year.

This annual process does not preclude in-year development, formulation or revision of Directions. It is expected that new Directions will be brought forward throughout the year to reflect strategic developments and service transformation.

⁵ Scottish Borders Health & Social Care Integration Joint Board Code of Corporate Governance. Available from: https://www.scotborders.gov.uk/downloads/file/1988/code_of_corporate_governance

4. Review of Directions Policy and Procedure

This Directions Policy and Procedure will be reviewed every two years or sooner in the event of new guidance or good practice becoming available.

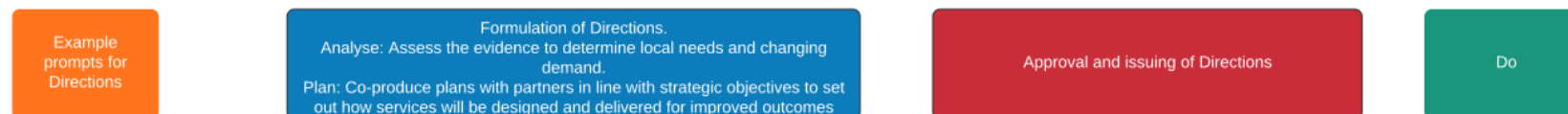
Date of policy approval:	TBC
Date of implementation:	ON DAY OF APPROVAL
Date of review:	2 YEARS AFTER DATE OF APPROVAL

5. Appendices

Appendix 1: Summary of Directions Procedure

Appendix 2: Template to accompany SBIJB Directions

Appendix 1: Summary of Directions Procedure



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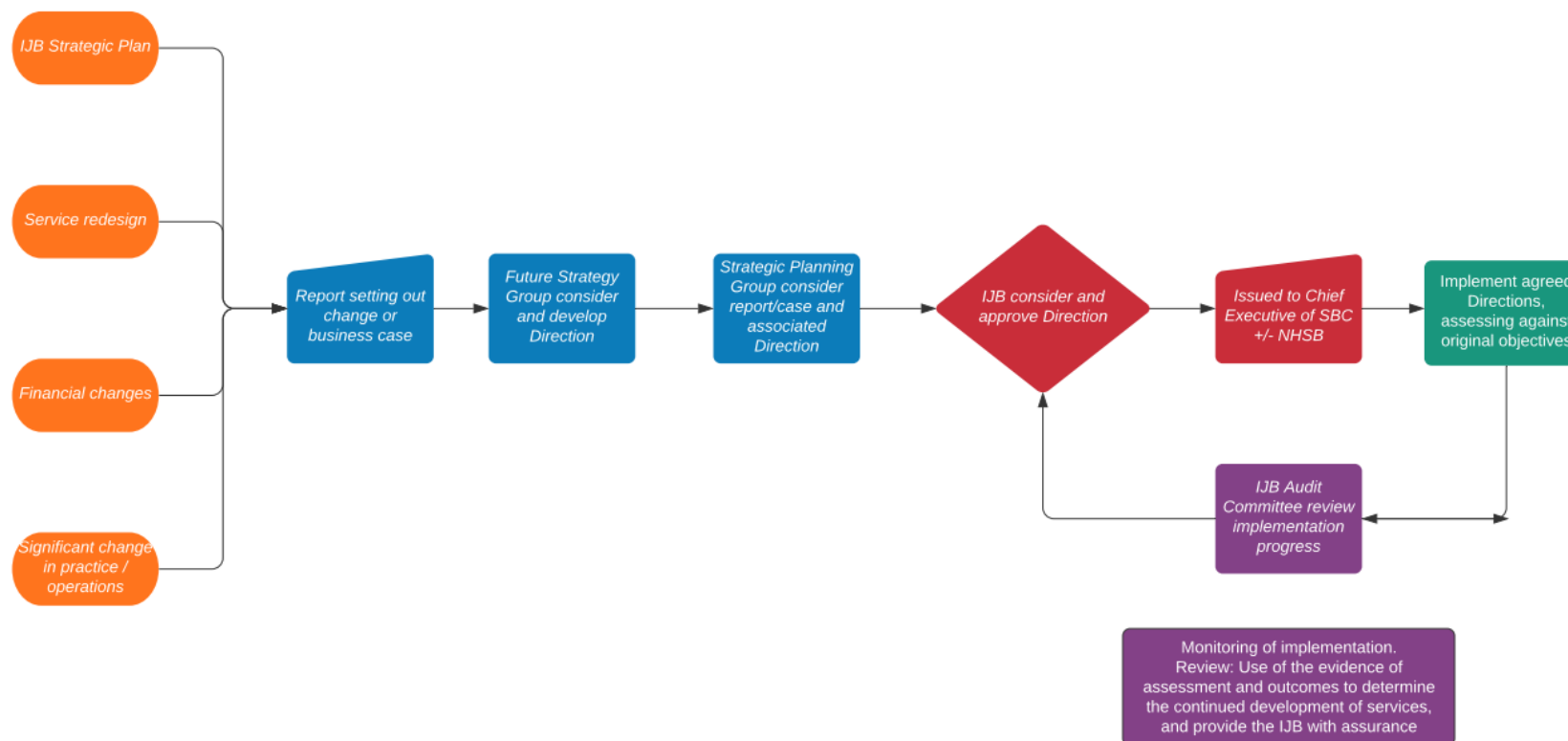


Figure 1 Directions Procedure, including reference to Strategic Commissioning cycle phases (Plan, Do, Review, Analyse)

Appendix 2: Template to accompany SBIJB Directions

DIRECTIONS FROM THE SCOTTISH BORDERS INTEGRATION JOINT BOARD	
Directions issued under S26-28 of the Public Bodies (Joint Working) (Scotland) Act 2014	
Reference number	Use format SBIJB-Date of IJB Meeting where Direction approved [DDMMYY] - Sequential number e.g. SBIJB-151221-1
Direction title	Insert brief Direction title
IJB Approval date	Insert date of IJB meeting when Direction was approved
Does this Direction supersede, revise or revoke a previous Direction – if yes, include the reference number(s)	No Yes (Reference number: _____) Supersedes / Revises / Revokes (delete as appropriate)
Services/functions covered by this Direction	List all services/functions covered by this Direction (e.g. palliative care, older adult social care etc)
Full text of the Direction	Outline clearly what the IJB is directing the Council, Health Board or both to do. The level of specificity is a matter of judgement to be determined by the IJB in relation to each Direction.
Timeframes	To start by: To conclude by: Consider and note the deadlines by when the Direction is expected to be commence and conclude carried out at the latest
Links to relevant SBIJB report(s)	Insert hyperlinks here
Budget / finances allocated to carry out the detail	State the financial resources allocated to enable NHS Lothian or the Council or both to implement the Direction. Provide sufficient detail especially if the Direction relates to multiple functions or services
Outcomes / Performance Measures	Detail of what the Direction is intended to achieve, or hyperlink to the appropriate document. Include reference to the link to the Strategic Plan, the National Health and Wellbeing Outcomes and IJB Performance Measures
Date Direction will be reviewed	Provide month / year to be reviewed by Audit Committee. No more than 6 months from date of approval

Scottish Borders Health & Social Care Integration Joint Board



Meeting Date: 15 December 2021

Report By:	Chris Myers, Chief Officer Health & Social Care
Contact:	Chris Myers, Chief Officer Health & Social Care
Telephone:	Via MS Teams
IJB STRATEGIC COMMISSIONING APPROACH	
Purpose of Report:	The purpose of this paper is to seek approval for a refreshed Strategic Commissioning Approach to improve the IJB's efficacy, and to support compliance with the Public Bodies (Joint Working) (Scotland) Act (The Act).
Recommendations:	<p>The Health & Social Care Integration Joint Board is asked to consider and approve the following recommendations:</p> <ul style="list-style-type: none"> • That the work of the SIP Oversight Board is realigned to the Audit Committee rather than directly reporting to the IJB • That a 'Future Strategy Group' is developed that reports into the Strategic Planning Group to develop Directions and to manage the work associated with the delivery of the new Strategic Developments over the next 12-14 months • That the IJB endorse the approach of undertaking a comprehensive Joint Needs Assessment to inform the Strategic Commissioning Plan that will be concluded towards the end of 2022/23 to support the development of a 3 year Strategic Commissioning Plan for 2023-26 • That the Audit Committee oversee a rapid review of the Terms of Reference and a self-assessment of the IJB Committees to ensure that the IJB and these Committees are able to continue to effectively function in the context of the significant level of work required, in line with the IJB's duties outlined in the Act
Personnel:	It is expected that additional personnel will be required to support the Strategic Commissioning required over the next 14 months
Carers:	The recommendations contained within this report will improve the engagement and ongoing conversation that the IJB with Carers and other key partners in the IJB's Strategic Commissioning approach.
Equalities:	Equalities impacts will be considered by undertaking Healthcare Inequalities Impact Assessments where required as part of the strategic planning process
Financial:	Effective planning will ensure that a financially sustainable

	commissioning plan can be developed.
Legal:	This discussion paper aims to support the Integrated Joint Board to discharge its duties in line with the requirements of the Act.
Risk Implications:	There is a risk that should the current arrangements not be supported then there could be reduced compliance against the Act, and reduced efficacy as an Integrated Joint Board.



Scottish Borders
Health and Social Care
PARTNERSHIP

IJB Strategic Commissioning Approach

Scottish Borders Integration Joint Board

1. Introduction

This paper makes recommendations to the IJB to consider changing the reporting arrangements to strengthen the role, delivery and oversight of the IJB Board Committees, and the governance of the IJB in line with its statutory duties.

In the context of the major strategic developments required over the coming 14 months, the Strategic Planning Group have considered the required timescales to undertake this work comprehensively along with the IJB's approach to strategic commissioning, and the associated governance. The recommendations from the Strategic Planning Group are embedded within this report.

In addition, following the feedback of a number of IJB members and members of the Strategic Planning Group, the Chief Officer has worked to review the requirements associated to IJB Directions as established by the Public Bodies (Joint Working) (Scotland) Act 2014 "The Act" and subsequent guidance. This has led to the development of a Directions Policy and Procedure is contained within this report.

Discussions have occurred with the HSCP Joint Executive (relevant Directors working across Health and Social Care from the Scottish Borders Council and NHS Borders), and our IJB Auditors around these areas.

This paper will also be considered by the IJB's Audit Committee on 9 December 2021 as the Audit Committee to seek the views of the Audit Committee on this approach. It is worth noting that the Audit Committee had already noted that the use of Directions made to partner organisations would ensure that clarity and transparency can be demonstrated and aligned to performance and financial reporting.

2. Strategic Commissioning Approach

2.1. Drivers for change

Over the coming 14 months, there is significant scale and breadth of IJB strategic developments, which include:

- A need to review the progress of existing workstreams
- The review of the Scheme of Integration by NHS Borders, Scottish Borders Council and the IJB
- The development of an updated Joint Needs Assessment, incorporating population health and wellbeing needs assessment, consultation with staff and key partners including our communities, unpaid carers, the Third Sector, and Partner providers
- The development of an updated Strategic Commissioning Plan that meets the needs of our population identified by the Joint Needs Assessment with a sustainable approach from an operational and financial perspective
- Strategic Management of national policy and legislative changes in relation to the implementation of the National Care Service

The approach proposed within the paper aligns to the Strategic Commissioning Cycle¹ with the involvement, needs and

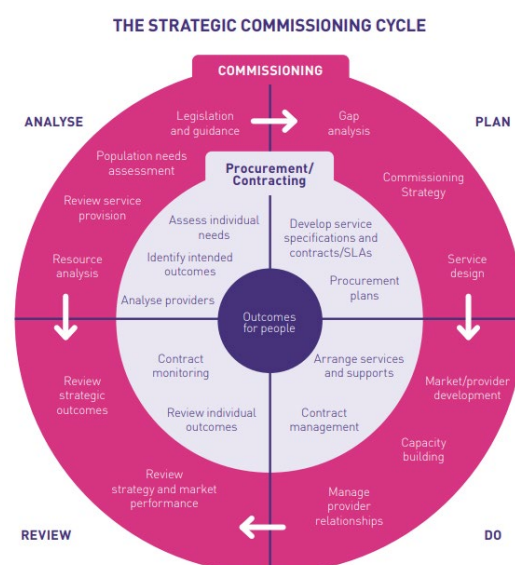


Figure 1 Strategic Commissioning Cycle

¹ Institute of Public Care. Strategic Commissioning Cycle

outcomes for people being at the heart of the Strategic Commissioning approach, in line with our updated HSCP procurement and contracting arrangements.

2.2. Review of existing workstreams

In line with the requirements of the IJB as set out in Section 37 of the Act there is a requirement to review of the effectiveness of the existing Strategic Commissioning Plan every 3 years. This process has recently commenced under the IJB's Strategic Implementation Plan Oversight Board, and will report by the end of the financial year. This will work to ensure that IJB commissioned workstreams remain focused on the delivery of:

- the outstanding areas of the Strategic Commissioning Plan
- the nine National Health and Wellbeing outcomes

In addition, due to the impacts of the Covid-19 pandemic, workstreams should take into consideration key areas such as the impacts of the pandemic to overall service sustainability across all delegated functions, and key partner interfaces, including but not exclusively, unpaid carers, third sector organisations, primary care providers, and partner social care providers.

The 'Do' and 'Review' commissioning segments will continue to be undertaken by the Strategic Implementation Plan Oversight Board. The procurement and contracting cycle are operational functions, and so would be undertaken by the HSCP team rather than IJB.

In order to ensure that we effectively comply with Section 37 of the Act, it is proposed that the work of the SIP Oversight Board is realigned to the Audit Committee rather than directly reporting to the IJB. This will ensure appropriate oversight of progress against the existing Strategic Commissioning Plan, which can in turn be summarised and reported to the IJB.

2.3. Future strategy

2.3.1. Strategic planning processes

Due to the scale of the future strategic work required, it is proposed that the IJB's forward planning processes also need to be enhanced. This is to ensure effective governance over progress to date and forward planning in the context of the scale of change required over the coming 12-14 months.

It is proposed that a 'Future Strategy Group' is developed that reports into the Strategic Planning Group to develop Directions and to manage the work associated with the delivery of the new Strategic Developments over the next 12-14 months.

The Future Strategy Group would support the Strategic Planning Group to undertake the 'analyse' and 'plan' commissioning segments of the Strategic Commissioning Cycle. The Strategic Planning Group could then use this information to develop Directions, as will be required, which can then be issued by the IJB. In line with national guidance on good practice, clear Directions must be given in respect of every function that has been delegated to the IJB. A Directions Policy and Procedure contains further information and is included within the IJB's papers.

By ensuring that the Future Strategy Group reports into the Strategic Planning Group, this will ensure that the IJB's key partners and communities have oversight and input into all strategic commissioning plans, and all IJB Directions before they are considered by the IJB.

2.3.2. Strategic Commissioning Plan timescales

The Act requires Local Authorities and Health Boards to have a Strategic Commissioning Plan. Updated Scottish Government guidance (as a result of Covid-19) noted that IJBs working with their Strategic Planning Group, could undertake a review of their Strategic Commissioning Plan (as opposed to necessarily creating a new plan). The result of the review could be a decision to continue with the same Strategic Commissioning Plan for a period of 12 months. This would be followed, in due course, by a subsequent review resulting in a comprehensive period of consultation and engagement and, ultimately, the creation of a new Strategic Commissioning Plan. At its meeting of 17th February 2021, the IJB approved the continuation of the Scottish Borders Strategic Commissioning Plan until April 2022.

The Act does not make prescribe the timescales for the preparation of revised Strategic Commissioning Plans. We have sought advice from the Scottish Government who have indicated that from a policy perspective, they would consider it reasonable to go beyond the planned April 2022 date for completion of the Strategic Commissioning Plan, to allow for comprehensive consultation to take place with stakeholders as part of the revision.

Considerations for the development of a Strategic Commissioning Plan include:

- That we underpin the Strategic Commissioning Plan with a robust Joint Strategic Needs Assessment – aligned to the Scottish Borders Council Council Plan, NHS Borders Strategic Plan, and underpinned by data
- That we take sufficient time to engage and consult as part of the Joint Needs Assessment and on the new Strategic Commissioning Plan
- That as part of this process, we strategically manage and take stock of the impact of the Feeley report and proposed National Care Service
- That we incorporate sustainability of services into the Strategic Commissioning Plan including HSCP and partner provided Health services, Social Care Services and services provided by unpaid carers who continue to experience increased demands associated to the impacts of Covid-19
- That time is built in to ensure an appropriate level of consideration for the Strategic Commissioning Plan sign off process

As a result, it is recommended that the IJB endorse the approach of undertaking a comprehensive Joint Needs Assessment to inform the Strategic Commissioning Plan that will be concluded towards the end of 2022/23 to support the development of a 3 year Strategic Commissioning Plan for 2023-26.

2.4. Terms of Reference and Committee member self-assessment

Acknowledging that changes are being made to the Strategic Commissioning Approach of the IJB, and that reporting lines for the Strategic Implementation Plan Oversight Board and a new Future Strategy Group have been proposed, if accepted, this is likely to have an impact on the terms of reference of the groups within the IJB Committee Structure.

It is also proposed that the Audit Committee oversee a rapid review of the Terms of Reference and a self-assessment of the IJB Committees to ensure that the IJB and these Committees are able to continue to effectively function in the context of the significant level of work required, and in line with its duties outlined in the Act.

3. Recommendations

In summary, it is recommended that the IJB consider and endorse the following recommendations:

- That the work of the SIP Oversight Board is realigned to the Audit Committee rather than directly reporting to the IJB.
- That a 'Future Strategy Group' is developed that reports into the Strategic Planning Group to develop Directions and to manage the work associated with the delivery of the new Strategic Developments over the next 12-14 months.
- That the IJB endorse the approach of undertaking a comprehensive Joint Needs Assessment to inform the Strategic Commissioning Plan that will be concluded towards the end of 2022/23 to support the development of a 3 year Strategic Commissioning Plan for 2023-26.
- That the Audit Committee oversee a rapid review of the Terms of Reference and a self-assessment of the IJB Committees to ensure that the IJB and these Committees are able to continue to effectively function in the context of the significant level of work required, in line with the IJB's duties outlined in the Act

*Scottish Borders Health & Social Care
Integration Joint Board Audit Committee*



Meeting Date: 9 December 2021

Report By:	Jill Stacey, SB IJB Chief Internal Auditor
Contact:	Jill Stacey (Scottish Borders Council's Chief Officer Audit & Risk)
Telephone:	01835 825036
PROGRESS ON IMPLEMENTATION OF INTERNAL AUDIT RECOMMENDATIONS	
Purpose of Report:	To provide an update to Members of the IJB Audit Committee on the status of the implementation by Management of recommendations made and agreed in the Internal Audit Annual Assurance Reports 2019/20 and 2020/21 for the Scottish Borders Health and Social Care Integration Joint Board.
Recommendations:	<p>The Scottish Borders Health & Social Care Integration Joint Board Audit Committee is asked to:</p> <ul style="list-style-type: none"> (a) Note the current status of progress made by Management in implementing Internal Audit recommendations to improve internal controls and governance, and mitigate risks; (b) Agree to the revised due dates of 31 March 2022 for the two overdue Internal Audit recommendations requested by the new IJB Chief Officer; and (c) Note that Internal Audit will continue to monitor for completion the outstanding recommendations and will provide update reports to this Committee.
Personnel:	The Internal Audit service to SBIJB is provided by Scottish Borders Council's Internal Audit team which reflects the Council's contribution of corporate support resources to partnership working. Staff assigned to perform the SBIJB Internal Audit work hold relevant professional qualifications and have the necessary experience, knowledge, skills and competencies (such as the Code of Ethics set out in the Public Sector Internal Audit Standards (PSIAS)) needed to deliver the plan.
Carers:	There is no direct impact on carers arising from the contents of this report.
Equalities:	There are no direct equalities and diversities implications arising from the contents of this report.
Financial:	There are no direct financial implications arising from the contents of this report.

Legal:	<p>The Scottish Borders Health and Social Care Integration Joint Board (SBIJB), established as a separate legal entity as required by the Public Bodies (Joint Working) (Scotland) Act 2014, is responsible for the strategic planning and commissioning of a wide range of integrated health and social care services across the Scottish Borders partnership area, based on resources which have been delegated to it by the partners, Scottish Borders Council and NHS Borders.</p> <p>The SBIJB is therefore expected to operate under public sector good practice governance arrangements which are proportionate to its transactions and responsibilities to ensure the achievement of the objectives of Integration. The establishment of robust Risk Management and Audit arrangements is one of the key components of good governance and will be critical to the capacity of the SBIJB to function effectively.</p>
Risk Implications:	<p>Internal Audit provides assurance to SB IJB Management and the Audit Committee on the adequacy and effectiveness of internal controls and governance within the Council, including risk management, highlights good practice and makes recommendations.</p> <p>It is anticipated that improvements in the management and mitigation of risks will arise as a direct result of SBIJB Management implementing the Internal Audit recommendations made during the year or outstanding from previous years.</p> <p>In addition to its own governance arrangements, the SBIJB places reliance on the governance arrangements adopted by NHS Borders and Scottish Borders Council, the partners.</p>

1 Background

- 1.1 The Internal Audit activity adds value to the organisation (and its stakeholders) when it considers strategies, objectives, and risks; strives to offer ways to enhance governance, risk management and control processes (by way of making audit recommendations); and objectively provides relevant assurance.
- 1.2 Management has the responsibility for ensuring that agreed audit actions are implemented to address the identified weaknesses and mitigate risks. At Internal Audit Final Report stage, the Audit Recommendations are input to Pentana, the Council's corporate performance management system. This is designed to assist with Management tracking of implementation, link with relevant risks and evidence improvement.
- 1.3 The Remit of the IJB Audit Committee includes the function to "receive reports and oversee and review progress on actions taken on audit recommendations and report to the IJB on these as appropriate", as part of its high level oversight of the framework of internal control, risk management and governance within the Scottish Borders Health and Social Care Integration Joint Board. The Internal Audit Recommendations were included within the Internal Audit Annual Assurance Report 2020/21 that was presented to the IJB Audit Committee on 14 June 2021, some of which were brought forward from the previous year's report 2019/20 as they were not yet completed.

- 1.4 Internal Audit continues to perform its standard quarterly follow-up activity to check that audit recommendations have been implemented and to ensure that the new controls had the desired effect on improving internal control and governance, and reducing risk. Internal Audit meets regularly with the IJB Chief Officer to address any audit actions, and bring any matters to the attention of the IJB Audit Committee on a 6-monthly basis.













2 Progress Update

- 2.1 There are currently four In-Progress Internal Audit recommendations for the Scottish Borders Integration Joint Board, all of which were those included within the Internal Audit Annual Assurance Report 2020/21 that was presented to the IJB Audit Committee on 14 June 2021. Three of which were brought forward from the previous year's report 2019/20 as they were not yet completed.
- 2.2 Following the retirement of the previous IJB Chief Officer in October 2021, the Chief Internal Auditor has met with the new IJB Chief Officer to ensure awareness of the four In-Progress Internal Audit recommendations. Monthly meetings have been arranged to continue the dialogue to ensure follow-up on their completion. The new IJB Chief Officer has provided comments on progress. Details are shown in Appendix 1.
- 2.3 For the two recommendations that became overdue as of 31 October 2021 (no. 1 appointment of dedicated SBIJB Chief Financial Officer, and no.4 Progress updates on MSG / Best Value actions), the new IJB Chief Officer has requested revised due dates of 31 March 2022 to ensure these represent realistic timescales for their full implementation. These have been approved by Internal Audit based on the further work required to fully implement these recommendations. The Audit Committee is asked to endorse this. The Pentana system will be updated to reflect this.
- 2.4 A further update on progress with the implementation of audit recommendations will be included within the Internal Audit Annual Assurance Report 2021/22 for the Scottish Borders Health and Social Care Integration Joint Board which is scheduled for presentation to the IJB Audit Committee in June 2022.

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APPENDIX 1

Health & Social Care Integration Joint Board - Internal Audit recommendations – Update on Progress as at 26.11.21

Code	Title	Risk Rating	Status	Progress 26.11.21	Original Due Date	Due Date	Managed By	Assigned To	Update 26.11.21
Scottish Borders Health and Social Care Integration Joint Board 2020/21 (Final Report Issued 26 May 2021)									
AUDIT.138	(2019/20 HSC IJB Rec 1) Corporate Governance – Chief Financial Officer The Chief Financial Officer role is being fulfilled jointly by the NHS Borders and Scottish Borders Council Finance Directors. Steps are still required to recruit to the IJB CFO role on a permanent basis.	Medium	 Overdue	20%	31/12/20	31/10/21	 Chief Officer Health & Social Care Integration	 Chief Officer Health & Social Care Integration	Job description has been reviewed by the Chief Officer and Directors of Finance, NHSB and SBC. HR have reviewed grading and the job will be submitted through the vacancy control process in the week commencing 29 November 2021. Request extension to due date to 31 March 2022.
AUDIT.139	(2019/20 HSC IJB Rec 2) Strategic Planning – Directions A detailed annual report setting out the Directions that the IJB has made to partner organisations would ensure that clarity and transparency can be demonstrated and aligned to performance and financial reporting.	Medium	 In progress	40%	31/12/20	31/03/22	 Chief Officer Health & Social Care Integration	 Chief Officer Health & Social Care Integration	The Chief Officer has discussed the development of Directions in a paper that went to the SPG in November 2021. In addition, a Directions policy has been discussed with the IJB Planning and Performance Officer. A paper will go to the IJB on 15 December 2021 outlining the future approach for approval. To date no Directions have been issued by the Scottish Borders IJB.
AUDIT.140	(2019/20 HSC IJB Rec 3) Workforce Planning Framework The Health and Social Care Partners should develop the Workforce Planning Framework and the full Workforce Plan in order to support the delivery of the new SBIJB Strategic Commissioning Plan.	Medium	 In progress	10%	31/12/20	31/03/22	 Chief Officer Health & Social Care Integration	 Chief Officer Health & Social Care Integration	This has been discussed with the Directors of HR/People, NHSB and SBC. A paper will be reviewed at the SIP Oversight Board outlining the need for an integrated workforce plan. A paper summarising this and the Internal Audit recommendation will be submitted to the IJB on 15 December 2021, seeking a Direction to commence this work.
AUDIT.141	(2020/21 HSC IJB Rec 4) Corporate Governance – MSG / Best Value Updates on progress against the MSG Self Evaluation HSCP Action Plan and Best Value Areas of Improvement should be provided to the SBIJB Audit Committee every 6 months.	Medium	 Overdue	0%	31/10/21	31/10/21	 Chief Officer Health & Social Care Integration	 Chief Officer Health & Social Care Integration	Request extension to due date to 31 March 2022 to enable new Chief Officer to progress.

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Scottish Borders Health & Social Care Integration Joint Board Audit Committee



Meeting Date: 9 December 2021

Report By:	Jill Stacey, SB IJB Chief Internal Auditor
Contact:	Jill Stacey (Scottish Borders Council's Chief Officer Audit & Risk)
Telephone:	01835 825036
PROGRESS UPDATE ON DELIVERY OF INTERNAL AUDIT ANNUAL PLAN 2021/22 FOR SCOTTISH BORDERS HEALTH AND SOCIAL CARE INTEGRATION JOINT BOARD	
Purpose of Report:	To present an update on progress with the delivery of the Internal Audit Annual Plan 2021/22 for the Scottish Borders Health and Social Care Integration Joint Board (SBIJB), and to set out a list of Internal Audit reports by partners' Internal Auditors presented to their respective Audit Committees which are relevant to SBIJB for assurance purposes.
Recommendations:	<p>The Scottish Borders Health & Social Care Integration Joint Board Audit Committee is asked to:</p> <ul style="list-style-type: none"> (a) note the progress made in the first six months of the year to deliver the approved Scottish Borders Health and Social Care Integration Joint Board Internal Audit Annual Plan 2021/22 (Appendix 1); and (b) consider the list of Internal Audit reports by partners' Internal Auditors presented to their respective Audit Committees that are relevant to SBIJB for assurance purposes (Appendix 2), consider the assurances contained therein, and provide any commentary thereon.
Personnel:	<p>The Internal Audit service to SBIJB is provided by Scottish Borders Council's Internal Audit team which reflects the Council's contribution of corporate support resources to partnership working. Staff assigned to perform the SBIJB Internal Audit work hold relevant professional qualifications and have the necessary experience, knowledge, skills and competencies (such as the Code of Ethics set out in the Public Sector Internal Audit Standards (PSIAS)) needed to deliver the plan.</p> <p>The SBIJB Internal Audit Annual Plan 2021/22, approved by the IJB Audit Committee on 8 March 2021, allocated 45 days to support the delivery of the Plan.</p>
Carers:	There is no direct impact on carers arising from the contents of this report.
Equalities:	There are no direct equalities and diversities implications arising from the contents of this report.
Financial:	There are no direct financial implications arising from the contents

	of this report.
Legal:	<p>The Scottish Borders Health and Social Care Integration Joint Board (SBIJB), established as a separate legal entity as required by the Public Bodies (Joint Working) (Scotland) Act 2014, is responsible for the strategic planning and commissioning of a wide range of integrated health and social care services across the Scottish Borders partnership area, based on resources which have been delegated to it by the partners, Scottish Borders Council and NHS Borders.</p> <p>The SBIJB is therefore expected to operate under public sector good practice governance arrangements which are proportionate to its transactions and responsibilities to ensure the achievement of the objectives of Integration. The establishment of robust Risk Management and Audit arrangements is one of the key components of good governance and will be critical to the capacity of the SBIJB to function effectively.</p>
Risk Implications:	<p>The PSIAS require Internal Audit to evaluate the effectiveness of the SBIJB's Risk Management arrangements and contribute to improvements in the process.</p> <p>Internal Audit provides assurance to SBIJB Management, Audit Committee and the Board on the adequacy and effectiveness of internal controls and governance within the SBIJB, including risk management, and to highlight good practice and recommend improvements.</p> <p>The SBIJB Internal Audit Annual Plan 2021/22 has been informed by the risks, controls and mitigation actions as set out within the SBIJB's Strategic Risk Register to ensure that Internal Audit plans are risk-based and provide relevant assurance.</p> <p>Discussions with the SBIJB's Chief Officer and interim Chief Finance Officer continue on a regular basis to ensure Internal Audit assurance meets the needs of the SBIJB and Management and other key stakeholders. There are no amendments at this time relating to the SBIJB Internal Audit Annual Plan 2021/22 that require approval by the SBIJB Audit Committee.</p> <p>It is anticipated that improvements in the management and mitigation of risks will arise as a direct result of SBIJB Management implementing the Internal Audit recommendations.</p> <p>In addition to its own governance arrangements, the SBIJB places reliance on the governance arrangements adopted by NHS Borders and Scottish Borders Council, the partners. Where appropriate, existing mechanisms embedded within both NHS Borders and Scottish Borders Council will continue to be used to provide assurance to the SBIJB.</p>

1 Background

- 1.1 Internal Audit is an independent appraisal function established for the review of the governance arrangements and internal control system of the Scottish Borders Health and Social Care Integration Joint Board to provide the statutory Internal Audit annual assurance and opinion. It objectively examines, evaluates and reports on the adequacy of governance and internal control as a contribution to the proper, economic, efficient and effective use of resources and the management of risk.
- 1.2 The Public Sector Internal Audit Standards (PSIAS) require the SBIJB's Chief Internal Auditor to prepare an annual report that incorporates the statutory audit opinion on the adequacy and effectiveness of SBIJB's framework of governance, risk management and control, a summary of the work that supports the opinion, and a statement on conformance with the PSIAS.
- 1.3 The Scottish Borders IJB Internal Audit Annual Plan 2021/22, which was approved by the SBIJB Audit Committee on 8 March 2021, includes sufficient work to enable the SBIJB Chief Internal Auditor to prepare the statutory independent and objective audit opinion to the year ending 31 March 2022.
- 1.4 In addition to its own governance arrangements, the SBIJB places reliance on the governance arrangements adopted by NHS Borders and Scottish Borders Council, the partners. This includes the existing mechanisms embedded within both NHS Borders and Scottish Borders Council for provision of Internal Audit assurances to their respective Audit Committees.

2 Progress Update

- 2.1 The Appendix 1 to this report provides details of the half yearly progress by Internal Audit with its work activity to deliver the approved SBIJB Internal Audit Annual Plan 2021/22. Those audits which are underway to reflect their continuous audit approach are highlighted in light shading and those scheduled for the second half of the year are not shaded. The SBIJB Internal Audit Annual Plan 2021/22 should be considered to be flexible and has been periodically reviewed to ensure it reflects any new arrangement or changing risks and priorities. There are no amendments at this time relating to the SBIJB Internal Audit Annual Plan 2021/22 that require approval by the SBIJB Audit Committee.
- 2.2 The continuous audit approach which is applied to Internal Audit work for the SBIJB enables Internal Audit to provide added value advice on internal controls and governance and 'critical friend' consultancy services as the SBIJB continues to develop its governance and transforms its service delivery.
- 2.3 The Appendix 2 to this report provides the list of Internal Audit reports by partners' Internal Auditors presented to their respective Audit Committees that are relevant to SBIJB for assurance purposes with a summary of assurances contained therein. The SBIJB Chief Internal Auditor takes account of these assurances from partners' Internal Auditors to provide assurance to the SBIJB.

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SBIJB Internal Audit Annual Plan 2021/22

Appendix 1

Ref	Category	Audit	Commentary	Status
1.	Assurance	Internal Control, Governance and Risk Management	<p>Assess the SBIJB's corporate governance and risk management arrangements in place to deliver services to meet the needs of service users and the strategic priorities for health and social care integration set out in the revised Strategic Plan. Test a sample of the key elements in the SBIJB Local Code of Corporate Governance (updated and approved by SBIJB 17 September 2018 on recommendation by the SBIJB Audit Committee 25 June 2018) as an integrated toolkit to determine whether these are operating effectively.</p> <p>Review elements of the Scheme of Integration and associated governance arrangements to assess the provision of resources support from partners to inform the refresh of the Scheme of Integration.</p> <p>Prepare an annual assurance report for SBIJB Management and SBIJB Audit Committee that includes the statutory internal audit opinion on the adequacy of the SBIJB's arrangements for risk management, governance and internal control for delegated resources. Used to inform SBIJB's Annual Governance Statement.</p>	<p>Ongoing follow-up on implementation of actions on Areas of Improvement set out in the Annual Governance Statement 2020/21. Progress Update on Implementation of Internal Audit recommendations to be presented to SB IJB Audit Committee in December 2021.</p> <p>Internal Audit specific focus on governance arrangements associated with Scheme of Integration and the provision of resources support from partners will be aligned to inform the refresh of the Scheme of Integration.</p> <p>Annual evaluation of compliance with and effectiveness of SBIJB's Local Code of Corporate Governance and annual evaluation of effectiveness of SBIJB's internal controls and governance arrangements scheduled 4th Quarter.</p> <p>Reliance will be placed on relevant work of partners' Internal Audit providers.</p>
2.	Assurance	Financial Governance, including key Internal Financial Controls	<p>Assess the SBIJB's processes in place to ensure appropriate accountability for financial management of financial resources delegated to the partnership to deliver efficient and effective services, including progress in achieving efficiencies and transformation, and to meet the priorities for health and social care integration set out in the Strategic Plan.</p>	<p>Continuous audit on financial planning, monitoring and reporting processes.</p>
3.	Assurance	Contracts and Commissioning (deferred from 2020/21)	<p>Assess the SBIJB's corporate governance arrangements in place to redesign service delivery to meet the needs of service users and align with Strategic Plan priorities, with a focus on contracts and commissioning arrangements to inform strategies and plans.</p>	<p>Audit work delayed from first half of the year due to ongoing Covid-19 pandemic response. Rescheduled 3rd Quarter.</p>

Ref	Category	Audit	Commentary	Status
4.	Other	Recommendations Follow Up Review	Follow-up progress by Management with implementation of Audit Actions by the agreed date relating to areas of improvement recommended in 2020/21 audit assurance work and check on the adequacy of new internal controls.	Ongoing – quarterly follow-up activity with IJB Chief Officer. Progress Update on implementation to be presented to SB IJB Audit Committee in December 2021.
5.	Other	Partners' assurance	Review assurance from partners' Internal Audit providers, i.e. Grant Thornton for NHS Borders and in-house team for Scottish Borders Council, through their work undertaken that is relevant to health and social care integration.	Six monthly reports scheduled for presentation to SBIJB Audit Committee in June and December. Reports by partners' Internal Audit providers presented in the second half of 2020/21 to their respective Audit Committees were listed in appendix to SBIJB Internal Audit Annual Assurance Report 2020/21 presented to SBJIB Audit Committee on 14 June 2021. Reports by partners' Internal Audit providers presented in the first half of 2021/22 to their respective Audit Committees will be included in SBIJB Internal Audit Mid-Year Report 2021/22 scheduled to SBJIB Audit Committee in December 2021.
6.	Other	Administration of Audit Scotland Reports	Monitor publication of Audit Scotland and other national reports and co-ordinate submission by Management of relevant national reports to the SBIJB Audit Committee / Board that give rise to introducing best practice arrangements or lessons learned from other organisations to enable Management to evidence improvements in health and social care integration practices on a continuous basis.	Ongoing coordination of Management presenting reports to SBIJB or its Audit Committee to ensure transparency of best practice and lessons learned from other organisations as part of continuous improvement.
7.	Other	Audit Committee Self-Assessment	Provide assistance to the Chair in undertaking a self-assessment of the SBIJB Audit Committee against the CIPFA best practice guidance.	The Chair's Report to SBIJB Audit Committee 14 June 2021 and to SBIJB 28 July 2021, based on the March 2021 annual SBIJB Audit Committee Self-Assessment. Identified improvement actions in progress. SBIJB Chief Internal Auditor scheduled to facilitate annual SBIJB Audit Committee Self-Assessment in March 2022 – 4 th Quarter.
8.	Other	Attendance at Boards / Committees	Attend IJB meetings and other relevant forums to observe planning, approval, monitoring and review activity of business and performance. Prepare for and attend SBIJB Audit Committee meetings.	Ongoing. In addition, SBIJB Chief Internal Auditor meets with Chair of SBIJB Audit Committee prior to each meeting.
9.	Other	Audit Planning for 2022/23	Renew risk assessment, develop and consult on proposed coverage within the SBIJB Internal Audit Annual Plan 2022/23.	Scheduled 4th Quarter.

Partners' Internal Audit Assurance 2021/22 (in part)

Appendix 2

Below is the list of Internal Audit reports by partners' Internal Audit providers (SBC Internal Audit for Scottish Borders Council; Grant Thornton for NHS Borders) that have been presented in the first half of 2021/22 to their respective Audit Committees, which are relevant to SBIJB for assurance purposes, with a summary of assurances contained therein.

Partner Committee	Audit Title	Audit Objective	Internal Audit Summary Findings and Conclusions
Scottish Borders Council Audit and Scrutiny Committee 29 June 2021 (Source: Agenda, Reports and Minutes published on website modern.gov)	Follow-Up Review of Completed Internal Audit Recommendation ns	To review a sample of Internal Audit recommendations marked as completed by Management in the period January to December 2020 to assess the evidence that they had been implemented satisfactorily and to ensure that the new controls had the desired outcomes of improving internal control and governance, and reducing risk.	<p>From the 13 recommendations tested, 7 were found to have been completed satisfactorily and 6 required further work.</p> <p>For the 7 Audit recommendations that were found to have been completed satisfactorily (Contracting & Procurement 2 Medium-rated 1 Low-rated; Peebles High School 1 Medium-rated; Looked After Children 2 Medium-rated; ICT Security 1 Medium-rated), the evidence that was provided by Management indicated that the Audit recommendations had been implemented satisfactorily and the action taken had the desired outcome of improving internal control and governance, and reducing risk. This provides assurance of evidence-based continuous improvement.</p> <p>Of the 6 Audit recommendations that were identified as requiring further work all were Medium-rated (1 Health and Safety; 5 Building Standards – Emergency Works). In all instances, action had been taken by Management to progress the recommendations though these had not been completed in their entirety to provide the improvements required and as initially agreed by Management. These Internal Audit recommendations have been re-opened on the Pentana system as 'in progress' to enable the remaining elements to be completed by relevant Management by the revised due dates (Health & Safety - 31 July 2021; Building Standards - Emergency Works - 31 August 2021).</p>

Partner Committee	Audit Title	Audit Objective	Internal Audit Summary Findings and Conclusions
<p>Scottish Borders Council Audit and Scrutiny Committee</p> <p>29 June 2021 (cont'd)</p>	<p>Internal Audit Report - Risk Management</p>	<p>To assess progress on the implementation of corporate risk management improvement actions including policy, strategy, training and toolkits.</p>	<p>Substantial assurance. The Council continues to make progress in embedding Risk Management and awareness ensuring that the risks to achieving corporate objectives are systematically identified, analysed, evaluated, controlled, monitored and reported regularly. The Council's Risk Management Strategy and Policy were last reviewed in 2018, and are due for review and refresh to reflect current conditions and best practice in line with industry standards.</p> <p>Three recommendations (3 Medium) to enhance the risk management framework.</p>
<p>Scottish Borders Council Audit and Scrutiny Committee</p> <p>20 September 2021 (Source: Agenda, Reports and Minutes published on website modern.gov)</p>	<p>Internal Audit Report – Performance Management Local Government Benchmarking Framework</p>	<p>To provide independent validation of performance indicators which are reported on an annual basis to the Improvement Service as part of the Local Government Benchmarking Framework (LGBF).</p>	<p>Substantial assurance. No recommendations. Validation testing found anomalies for only 1 of the indicators. It was agreed that this was an error and a revised performance indicator was submitted. Internal Audit considers the final figures for the 11 performance indicators provided and reported in the LGBF return 2020/21 to be reasonable and accurate, after noted amendment. The individual data collection methods applied by the Services are adequate though there is scope for improvement in the process and Management oversight (specifically implementation of the outstanding recommendation) to ensure data is complete, accurate and provided on time.</p>

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<p>NHS Borders Audit Committee</p> <p>15 June 2021</p> <p>(Source: Minutes of meeting on NHS Borders website, considered by Board 7 October 2021)</p>	Strategic Risk Register – Update on Internal Audit Recommendations	Internal Audit had been asked to look at subject matters on risk registers in other Health Boards to allow Borders to use as a benchmark and highlight areas which could be looked at in the future.	The context has changed significantly due to the response to the Covid19 pandemic and subsequent remobilisation. It was noted that there were 28 risks on the strategic risk register which is greater than what was expected at the start of the exercise and reflects the additional risks now presented across Boards due to the pandemic. The report was to give the Audit Committee assurance that this piece of work had been undertaken and they would now be looking at how these risks will align with the other Governance Committees in terms of ongoing scrutiny and assurance.
	Audit Follow Up Report	Follow up on progress by Management with the implementation of Internal Audit recommendations.	Advised in some instances that no update on progress had been received from Management, target dates have had to be flexible and have been put back due to the pandemic, and Internal Audit would continue to monitor through the follow up report. The Audit Committee however noted that it was not normal practice to have so many outstanding actions within the follow up report.
	Internal Audit Report – Covid19 Financial Controls	Planned assurance audit.	Partial assurance with improvement required. One medium and two low risk findings. Medium risk finding related to the application of the Covid19 Scheme of Delegation. Findings that: 22 out of the 25 sample of Covid spend selected had not been approved in line with the Covid19 Scheme of Delegation; and the Covid19 delegated authorities were not reflected in PECOS ensuring that spend across the Covid19 cost centres is authorised accordingly. Additional testing against the original NHS Borders Scheme of Delegation identified two exceptions where items of expenditure had been approved by individuals without delegated authority. Two low risk findings: there was no formal process and procedure documentation relating to Covid19 expenditure for reporting to Scottish Government (SG); and there were inconsistencies found in the LMP submission including Covid19 expenditure not approved in line with SG limits.
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Committee 15 June 2021 (cont'd)	Internal Audit Report – Waiting Times	Planned assurance audit.	No assurance and two high risk findings had been reported. First high risk finding: monthly sampling and checking of patient waiting times is not operating in line with NHS Scotland guidance. Second high risk finding: governance arrangements have not been operating consistently resulting in a lack of scrutiny.
	Internal Audit Report – Primary Care Improvement Plan (PCIP)	Planned assurance audit.	Partial assurance with improvement required and two medium and two low risk findings had been reported. First medium risk finding: there was a lack of detailed action plans at the workstream level with no clear action plan to meet the objectives of the PCIP. Second medium risk finding: there was inconsistencies in the progress reports from each of the workstreams to the PCIP Exec Team; the IJB did not receive a regular update in relation to the PCIP. Low risk findings: there was a lack of KPIs to measure achievement of PCIP priorities for all the workstreams and owing to two key members of staff retiring there was a loss of knowledge and continuity.
	Internal Audit Annual Report 2020/21	Summarises all of Internal Audit's work undertaken during 2020/21 and provides the audit opinion as required by the PSIAS.	Internal Audit's overall opinion for 2020/21 which was noted as partial assurance with improvement required.
	Indicative 3 Year Internal Audit Plan 2021/22 – 2023/24 and Annual Plan 2021/22	To outline the indicative 3 Year Internal Audit Plan 2021/22 - 2023/24 and to propose the planned programme of Internal Audit work for 2021/22.	The Plan is devised taking into account strategic risks facing the organisation, the PSIAS, the audit universe, and NHS Borders' Internal Audit budget. The Plan had been discussed with individual Directors as well as the Board Executive Team. The Plan sets out 102 Internal Audit days which is comparable to prior years and covers six reviews and follow up process.
NHS Borders Audit Committee 20 July 2021	No Internal Audit reports considered at this meeting Source: Minutes of meeting on NHS Borders website, considered by Board 7 October 2021		

The SBIJB Chief Internal Auditor will take account of these assurances from partners' Internal Audit providers to provide Internal Audit assurance to the SBIJB.