



CÙRAM IS SLÀINTE NAN EILEAN SIAR

INTEGRATION JOINT BOARD

AUDIT & RISK COMMITTEE

MINUTE OF MEETING HELD
WEDNESDAY 04 SEPTEMBER 2024
AT 10.00AM
VIA MICROSOFT TEAMS

Voting Members Present:

| | |
|--------------------|--|
| Susan Thomson | Councillor, CnES/ IJB A&R Committee Chair |
| Calum Maclean | Councillor, CnES/ IJB Voting Member |
| Annetta Smith | Non-Executive Director, NHS WI/IJB Voting Member |
| Naomi MacDonald | Non-Executive Director/ IJB Voting Member |
| Julia Higginbottom | Non-Executive Director/IJB Voting Member |

Non-Voting Members Present:

| | |
|----------------|----------------------------|
| Debbie Bozkurt | Chief Finance Officer, IJB |
| Nick Fayers | Chief Officer, IJB |

In Attendance:

| | |
|------------------|------------------------------------|
| Martin Devenney | Audit Scotland |
| Stephanie Hume | Azets |
| Michelle McPhail | Corporate Business Manager, NHS WI |
| Shona Hadwen | Principal Administrator, CnES |
| Yvonne Maciver | Administrator, CnES |



1. WELCOME

Susan Thomson took the Chair and led the meeting, welcoming those present.

2. APOLOGIES

Kenneth J Maclean
Eoin McNeil

Councillor, CnES/IJB Voting Member
Third Sector Representative

3. DECLARATION OF INTEREST

There were no declarations of interest.

4. MINUTES

4.1 IJB Audit & Risk Committee Minute of 11 June 2024

The minute of the IJB Audit & Risk Committee of 11 June 2024 was approved as an accurate note of the discussion.

Decision: The Committee formally approved the minute of 11 June 2024.

Action: No actions required.

4.2 Matters Arising

There were no matters arising.

Decision: None.

Action: No action required.

4.3 Action Points

The Chair asked the Chief Officer to update members on the Action Tracker. The Chief Officer, Nick Fayers, focused on the three actions with a RED status:

- Action 8.2 of 12/01/22 regarding the Risk Register. The Integration Scheme is being re-written and is currently sitting with NHSWI. It will then go to CnES for final comments before being presented to the November series for approval.
- Action 6.7 of 24/11/22 and Action 5.2.1 of 14/06/23 regarding Internal Audit recommendations to be discussed further with Azets at the end of the meeting.



Decision: The updates to the Action Tracker were noted.

Action: Action Tracker to be updated to reflect discussion.

5. AUDIT & FINANCIAL GOVERNANCE

5.1 Internal Auditors

5.1.1 Internal Audit Recommendation Tracker – Detailed review of new format

Removed from Agenda.

Decision: Both items removed from Agenda on 02/09/2024.

Action: No actions required, to be discussed at end of meeting.

5.1.2 Internal Audit Plan Update

Removed from Agenda.

Decision: Item removed from Agenda on 02/09/2024.

Action: No actions required, to be discussed at end of meeting.

5.2 Financial Governance

5.2.1 Chief Finance Officer Update Report

The Chief Finance Officer (CFO) submitted a Report for awareness to update members of the current financial situation. As a result of the cyber-attack on CnES in November 2023, the lack of available in year monitoring figures for social care, the assessment is the Chief Finance Officer's update that is currently known plus any financial risks that may be realized in 24/25.

The CFO stated that initial out-turn figures were £300k - £400k worse than expected on the social care figures which will affect IJB reserves and the IJB budget for 24/25. In terms of financial monitoring, as the Comhairle were yet to finalise the ledger for 23/24, their ledger for 24/25 had yet to be opened, and therefore a joint financial monitoring position was unavailable.



The CFO did provide NHS monitoring figures for the year to date. Particular areas highlighted were financial pressures in the psychiatric area, due mainly to recruitment difficulties and the high cost of locum psychiatrists. A lot of work had been done to resolve this issue however it remained an area of financial concern for the NHS. Also of concern were the costs associated with mental health placements which cannot be managed in a community or residential care home setting. Patients are held temporarily in an acute psychiatric unit under 24/7 care of agency nurses.

Additional costs have also been incurred as a result of two GP practices in the Western Isles which have recently gone from being independent practices to being managed by NHSWI. These are called “2c” practices. The main reason for this change was due to the difficulties experienced in recruiting GPs, meaning escalated costs for practices as they have to rely on locum GPs. However, a successful recruitment campaign had taken place and GPs have been recruited. The CFO advised that the costs of locum provision would continue for the next couple of months as the newly recruited GP’s work out their respective notice periods.

Other financial pressures facing the NHSWI included costs associated with delayed discharges which could potentially get worse with the onset of winter, and the recently announced 5.5% pay award. It was hoped that this would be fully funded by the Scottish Government, but this was not known at the time of the meeting.

Members were afforded the opportunity to ask questions.

Cllr Maclean asked a question in relation to the discussions held earlier about mental health patients and service provision in the Western Isles, was there arrangements in place for a planned review of mental health provision in the Western Isles following the closure of Clisham Ward?. The CFO noted that many of the current patients being treated for mental health issues would not have been treated in Clisham Ward as their needs could not have been met there. They need more specialist care than was offered in Clisham Ward during its operation hence the requirement for mainland placements for these patients.

The CO informed members that NHSWI was currently engaged in discussion with a mainland health board with a view to placing mental health patients from the Western Isles in acute psychiatric units in their areas. Draft agreements were currently being produced but nothing had yet been confirmed. The situation as a whole was being looked at but could not confirm anything as yet.

The Auditors were asked when the final audit report would be finalized, but they could not give any guarantee of a timescale as the work had not yet begun.



Cllr Thomson asked a question in relation to the future of the 2c practices in that once they were fully staffed with GPs would they return to private ownership. The CFO informed members that it would be very unlikely that they would return to private ownership mostly from a financial perspective as they would have to run them as a private business, pay salaries, overheads etc. and add that to the ongoing shortage of staff, it would be better for them to remain under NHSWI management.

Decision: It was agreed to note the Report.

Action: No actions required.

6. PERFORMANCE

6.1 Strategic Risk Register – Detailed review

The Chief Officer submitted the Strategic Risk Register for approval. The Risk Register is the mechanism to identify and manage the high level strategic risks facing the Board and the wider Health and Social Care Partnership. The function of the Risk Register is to identify the overarching risks and define as the parent organisations' have their own individual Corporate Risk Registers.

The CFO informed members that the Risk Register has now moved over to an NHS electronic platform which would mean that updates and reporting of information would be easier and the process more robust.

The Strategic Risk Register identifies 5 strategic risks facing the Board:

- Failure to plan for Strategic Change;
- Workforce;
- Increasing demand for delegated services – Demand outstrips capacity;
- Insufficient financial resources in order for the partnership to deliver its statutory obligations; and
- Organisation, professional and cultural barriers inhibit the ability of the H&SCP and in turn the IJB to develop services and deliver on strategic ambition.

A risk factor had been associated with each risk and it was for the Committee to agree that the risks noted were appropriate and that updates had been provided. The Report decision would then be presented to the full IJB. The CO went on to share with members the movement in each risk category since the last audit and the reasons for change. Clarification was sought on the reasons for movement in each of the risks, and the CO responded.



Clarification was also sought on the next stage in the process for signing off the Risk Register, and what route this may take. The CO informed members that the Risk Register would come back to the Board for final sign-off.

6.1.1 Appendix 1 – Register

The Strategic Risk Register, following agreement with the comments above was presented to the Committee for approval.

Decision: It was agreed that the risks noted were appropriate and updates have been provided.

Action: The Report and Strategic Risk Register needs to go before the IJB for approval.

6.2 Risk Management Strategy

The Chief Officer submitted the IJB Risk Management Strategy for approval. As a separate legal entity (as defined in the arrangements of Public Bodies (Joint Working) (Scotland) Act 2014, the Integration Joint Board (IJB) is required to have an approved Risk Management Strategy which ensures processes are in place to identify Strategic Risks faced by the IJB.

The IJB Risk Register is the mechanism to identify and manage the high level strategic risks facing the Board and the wider Health and Social Care Partnership. This is informed by:

- IJB Risk Management Strategy;
- Corporate Risk Registers of CnES and NHSWI; and
- IJB Risk Appetite Statement.

The IJB has corporate responsibility for the Risk Management Strategy and for ensuring that significant risks are adequately controlled, as outlined in the Corporate Risk Register. The Audit and Risk Committee has a responsibility for overseeing the operation of this Risk Management Strategy (as distinct from the management of specific risks).



6.2.1 Appendix 1 – Strategy

The Risk Management Strategy was produced with reference to the Corporate Risk Management Strategies of NSWI and CnES alongside benchmarked good practice. The aim of the strategy is to ensure that there is a robust and effective framework in place to manage strategic risks.

The Strategy and supporting documentation alongside the Corporate Risk register will:

- Be proactive in understanding risk through a process of risk identification and management;
- Build upon existing good practice through benchmarking/review;
- Support strategic decisions through a robust understanding of potential risks and their likely impact;
- Be integral to all decision making, planning, performance reporting and delivery processes.

In discussion, Stephanie Hume of Azets commented that although the Strategic Risk Register should be reviewed at least every six months, it should come before every meeting of the Audit and Risk committee with any updates, and then with regards to risk appetite which would be determined for the next 12 month period. Ms. Humes also added that if there were to be any significant changes to the operating environment, this would result in the risk appetite being changed accordingly.

In discussion it was also mentioned that an additional column would be useful to reflect the changing risk appetite of the Board in relation to specific risks. The Board would need to decide the overall risk appetite of particular risks of the IJB. The risk appetite could be subject to change depending on operational environment. Risks could become more tolerant as other risks become less tolerant (open and hungry). It was agreed that the Risk Management Strategy should be updated to reflect this and that the Risk Register amended to also reflect the additional information required.

Decision: It was agreed to approve the Risk Management Strategy with the addition of the relevant amendments discussed.

Action: Add column to Risk Register to reflect risk appetite of each Risk.



7. STRATEGIC GOVERNANCE

7.1 Scheme of Integration - Update

The Chief Officer provided a verbal update on the Scheme of Integration

The CO is seeking to bring the finalized Scheme of Integration to the November series.

Decision: The verbal update was noted.

Action: No action required.

7.2 IJB Audit & Risk Terms of Reference

The Chief Officer submitted the approved Terms of Reference for awareness. The Terms of Reference highlighted the purpose of the IJB Audit and Risk Committee, its Constitution, Policy and Delegated Authority and Remit.

It was brought before members to specifically inform new members of the IJB Audit & Risk Committee of the role and functions of the committee.

Decision: It was agreed to note the Report.

Action: No actions required.

7.3 Annual Self-Assessment of the Audit & Risk Committee

A copy of the Annual Self-Assessment was circulated to members for their consideration and completion.

Members were asked to complete the forms and return them to Michelle McPhail within one week. Responses will then be collated and a final response will be circulated in the November series for formal sign-off.

Decision: It was agreed to note the Report.

Action: All members to complete the self-assessment individually and to return to Michelle McPhail within one week.



8. EVALUATION

| | YES | NO | COMMENTS |
|---|-----|----|--|
| Were you satisfied with the content of the agenda? | X | | |
| Was there sufficient time to review the papers between receipt and the meeting date? | X | | |
| Were the agenda items placed in the correct order/ prioritization? | X | | |
| Was there sufficient time allocated to all agenda items? | X | | |
| Were the Executive Summaries an accurate reflection of the detailed paper? | X | | |
| Was there sufficient refreshment breaks? | | | N/A |
| Are there any significant issues which should be escalated? | | X | |
| Did you consider that the Board/ Committee discharged its duty in respect of: <ul style="list-style-type: none"> • Proper Scrutiny • Relevant questioning • Constructive challenging | X | | |
| Do you have any suggestions for improvement or additional comments about this meeting? | | | Comments should be made to Michelle McPhail. |

9. DATE OF NEXT MEETING

The next meeting of the IJB Audit & Risk Committee will be held on Wednesday 06 November 2024 at 10.00am.