



## MINUTE OF MEETING OF THE MORAY INTEGRATION JOINT BOARD

### AUDIT AND RISK COMMITTEE

THURSDAY 29 MARCH 2018

ALEXANDER GRAHAM BELL CENTRE, MORAY COLLEGE

#### **PRESENT**

#### **VOTING MEMBERS**

|   |                                     |
|---|-------------------------------------|
| Councillor Claire Feaver (Chair)                    | Moray Council                       |
| Dame Anne Begg                                      | Non-Exec Board Member, NHS Grampian |
| Mr Jonathan Passmore substitute for Professor Croft | Non-Exec Board Member, NHS Grampian |

#### **NON-VOTING MEMBERS**

|   |   |
|---|---|
| Mr Steven Lindsay                           | NHS Grampian Staff Partnership Representative |
| Ms Elidh Brown as substitute for Mr Villani | tsiMoray                                      |

#### **IN ATTENDANCE**

|                    |   |
|--------------------|---|
| Ms Tracey Abdy     | Chief Financial Officer   |
| Ms Maggie Bruce    | Senior Audit Manager, Audit Scotland                                |
| Ms Pam Gowans      | Chief Officer   |
| Mr Atholl Scott    | Chief Internal Auditor  |
| Mrs Caroline Howie | Committee Services Officer, Moray Council as Clerk to the Committee |

#### **APOLOGIES**

|                           |                                      |
|---------------------------|--------------------------------------|
| Professor Amanda Croft    | Executive Board Member, NHS Grampian |
| Councillor Shona Morrison | Moray Council                        |
| Mr Fabio Villani          | tsiMoray                             |

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| 1. | <b>DECLARATION OF MEMBERS' INTERESTS</b>   |
|    | There were no declarations of Members' interests in respect of any item on the agenda. |

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| <b>2.</b> | <b>MINUTE OF MEETING OF THE INTEGRATION JOINT BOARD AUDIT AND RISK COMMITTEE DATED 14 DECEMBER 2017</b>  |
|           | <p>The minute of the meeting of the Moray Integration Joint Board dated 14 December 2017 was submitted for approval.</p> <p>Under reference to attendance it was noted that Professor Croft's name was wrongly listed under non-voting members.</p> <p>The Clerk undertook to amend the minute and move Professor Croft's name to the list of voting members.</p> <p>With this change the minute was approved.</p>   |
| <b>3.</b> | <b>ACTION LOG DATED 14 DECEMBER 2017</b>   |
|           | <p>The Action Log of the Moray Integration Joint Board dated 14 December 2017 was discussed and it was noted that all actions listed had been completed.</p>   |
| <b>4.</b> | <b>INTERNAL AUDIT UPDATE</b>   |
|           | <p>A report by the Chief Internal Auditor informed the Committee of progress being made towards completion of the agreed audit plan.</p> <p>The Chief Internal Auditor advised the scope of audits covers value for money and not how the money is spent. He was of the opinion this could be changed in the future if required.</p> <p>Discussion took place around what checks are in place to ensure those contracted to provide services pay their staff the living wage. The Chief Officer advised it is not possible to audit contractors however most contractors currently pay the living wage.</p> <p>Thereafter the Committee agreed to note:</p> <ul style="list-style-type: none"> <li>i) the internal audit work progressed during the final quarter of the year;</li> <li>ii) the planned approach for completion of the remaining projects in the plan; and</li> <li>iii) that additional internal audit resource has been secured effective March 2018 to support delivery of future audit plans.</li> </ul> |
| <b>5.</b> | <b>EXTERNAL AUDIT PLAN FOR THE YEAR ENDING 2017/18</b>   |
|           | <p>A report by the Chief Financial Officer informed the Committee of the contents of the External Auditor's Annual Plan for 2017/18.</p> <p>Dame Anne sought clarification on why the audit fee had increased by almost a third on what had been charged in the previous year.</p> <p>In response the Senior Audit Manager, Audit Scotland, advised the amount of work involved had been an unknown quantity when the previous fee had been set. Through discussion it had been agreed this had been set too low, hence the increase.</p>  |

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|           | Following discussion the Committee agreed to note the contents of the External Auditor's Annual Plan for 2017/18.   |
| <b>6.</b> | <b>DRAFT ANNUAL GOVERNANCE STATEMENT 2017/18</b>  |
|           | <p>A report by the Chief Financial Officer provided Committee with an opportunity to consider and comment on the draft Annual Governance Statement for the Moray Integration Joint Board (MIJB).</p> <p>Discussion took place on the content and layout of the Statement. The Senior Audit Manager, Audit Scotland, stated the layout and pictorial information made for easy reading.</p> <p>Discussion took place on the role Members of the Board need to share for governance.</p> <p>Thereafter the Committee agreed:</p> <ul style="list-style-type: none"> <li>i) to note that the Chief Financial Officer will liaise with NHS Grampian and Moray Council to ensure relevant assurances are in place, prior to finalising the Annual Governance Statement for inclusion into the draft Annual Accounts to be submitted to the Integration Joint Board for approval and sign off; and</li> <li>ii) in principle on the Annual Governance Statement and delegate authority to the Chief Financial Officer to complete this statement in a timely manner for submission to the Integration Joint Board by obtaining the required level of assurances from Moray Council and NHS Grampian.</li> </ul> |
| <b>7.</b> | <b>STRATEGIC RISK REGISTER – MARCH 2018</b>   |
|           | <p>A report by the Chief Officer provided an overview of the current strategic risks, along with a summary of actions which are in place to mitigate those risks, updated as at March 2018.</p> <p>Discussion took place on the risks within the register.</p> <p>It was advised that risk to reputation was in respect of closing services and communication around this.</p> <p>The Chief Officer advised that there would be occasions when the speed of change, or confidentiality around change, did not always allow for prior communication.</p> <p>Thereafter, following further discussion the Committee agreed to note the updated Strategic Risk Register as at March 2018.</p>  |