

Title/Subject: Governance Action Plan
Meeting: Integration Joint Board Audit Committee
Date: 5 December 2017
Submitted By: Chief Finance Officer
Action: For Noting

1. INTRODUCTION

- 1.1 The purpose of this report is to present the completed Governance Action Plan for the Falkirk IJB to the Audit Committee.

2. RECOMMENDATION

- 2.1 The Audit Committee is asked to note the completed Governance Action Plan attached as Appendix 1 to this report and that a progress report will be prepared for the June 2018 Audit Committee meeting.

3. BACKGROUND

- 3.1 Guidance produced by the Integrated Resources Advisory Group states that the IJB has responsibility for reviewing the effectiveness of governance arrangements including the system of internal control.
- 3.2 Internal Audit's 2016/17 Annual Internal Audit Report, as presented to the Audit Committee in August 2017 recommended that a Governance Action Plan, setting out a timetable for implementation, should be prepared and approved and monitored by the IJB or the Audit Committee. The Chief Officer agreed this recommendation.
- 3.3 The Annual Governance Statement in the Falkirk IJB's 2016/17 Accounts, includes a commitment to incorporate the findings from the self-assessment work into a revised Governance Action Plan to be presented to and monitored by the Audit Committee. The Audit Committee has a key role in ensuring that agreed actions are implemented appropriately and timeously.
- 3.4 At the October 2017 Audit Committee the Governance Action Plan was presented to the Audit Committee for approval, noting that proposed management actions, responsible officers and timescales had to be completed. The Audit Committee also agreed that the Action Plan would be monitored through six monthly progress reports.

4. GOVERNANCE ACTION PLAN

- 4.1 The Governance Action Plan for the Falkirk IJB is included at Appendix 1. This action plan incorporates the findings from the Chief Internal Auditor's 2016/17 Annual Internal Audit Report as well as findings from the self-assessment work carried out in 2016/17. The Action Plan has been updated with management actions, responsible officers and timescales where appropriate.
- 4.2 In line with the agreed monitoring arrangements, a progress report will be submitted to the June Audit Committee. However, members of the Audit Committee may want to request an update on specific areas where considered appropriate.

5. CONCLUSIONS

- 5.1 The Governance Action Plan will help to ensure that the IJB is meeting its responsibilities for reviewing the effectiveness of governance arrangements including the systems of internal control.
- 5.2 Regular monitoring of the Governance Action Plan will help to ensure that actions are taken forward effectively and timeously.

Resource Implications

There are no resource implications arising from the recommendations in this report.

Impact on IJB Outcomes and Priorities

Effective governance, including risk management and internal control, will be necessary to deliver the outcomes and priorities of the IJB.

Legal & Risk Implications

The Governance Action Plan will be used to address known risks and will inform the Annual Governance Statement which must be produced as part of the Annual Accounts.

Consultation

The Governance Action Plan has been developed between the Chief Internal Auditor and the Chief Office and Chief Finance Officer of the IJB.

Equalities Assessment

No equalities issues arise from the recommendations of this report.

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Date: 27 November 2017

List of Background Papers: The papers that may be referred to within the report or previous papers on the same or related subjects.

Action No.	Annual report actions	Proposed management action	Responsible Officer/ Timescale	To be reported to	Status R/A/G/ Complete	Comments
Corporate Governance						
1.	A formal agreement setting out the precise responsibilities of the IJBs, Forth Valley NHS Board and the Council in relation to operational activities and the exact nature of the delegation of functions to the IJBs should be developed. This agreement should clearly set out risk management responsibilities and provide clarity around the role of the CO.	Agreed. This will form part of the work on Integrated Structures which is underway.	Chief Officer TBC			
2.	The March 2017 SoD should be reviewed by 31 March 2018 as partnership arrangements develop	Agreed. However, the timescale for this work will be driven by the work at recommendation 1.	Chief Finance Officer TBC	IJB		
3.	The Chief Officer should continue further development of partnership arrangements, including operational delegation of NHS services with Chief Executives and update will be provided to future IJB meetings.	Agreed. This will form part of the work on Integrated Structures which is underway.	Chief Officer	IJB		
4.	A comprehensive support services agreement should be completed, agreed between the constituent authorities and presented to the IJB for approval.	Agreed. This will form part of the work on Integrated Structures which is underway.	Chief Officer	IJB		
5.	As set out in the Integration Scheme, the annual review of the support function should be carried out to inform the	Agreed. A costed proposal for additional support for planning, project management,	Chief Officer/Chief Finance			

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	proposed support services agreement.	performance, communications, community capacity building and engagement will be prepared for agreement with the Chair and Vice Chair of the IJB and the Chief Executives.	Officer April 2018			
6.	Formally agreed assurance arrangements should include consideration of reporting lines and the flow of assurance including any officer and governance groups in place. The Assurance Framework is in development and should clearly set out these arrangements, including how assurance is drawn from constituent authorities internal control systems.	To be discussed further				
7.	Workplans/reporting schedules should be developed for the IJB and its Standing Committees, showing when items of business require to be considered to deliver their purpose and remit of the IJB as well as any additional reporting agreed by members.	Agreed. This work is underway and indicative workplans have been provided for the Audit Committee and the Strategic Planning Group.				
Audit						
8.	Develop a system to monitor all audit recommendations and report on progress to the Audit Committee.	Agreed. FTF Internal Audit will put in place an Audit follow Up system.	Chief Internal Auditor December 2017	IJB Audit Committee		

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9.	Ensure that the Audit Committee receive regular progress reports on delivery of the Internal Audit Plan.	Agreed. FTF Internal Audit will provide a progress report to each meeting of the Audit Committee, in line with the agreed timetable of meetings.	Chief Internal Auditor December 2017	IJB Audit Committee		
Planning & Performance						
10.	Self Assessments in relation to the four Audit Scotland reports; Health and Social Care Integration (December 2015); Changing Models of Health And Social Care (March 2016); Social Work in Scotland (September 2016); NHS in Scotland (October 2016), were presented to the IJB Audit Committee in February and March 2017. Action plans should be developed from the self assessments, including identification of lead officers and timescales. Implications in relation to the recommendations should be considered as part of future delivery planning for the partnership.	Agreed. The self assessments will be reviewed and where appropriate action plans developed	Will be confirmed as part of the reviews			
11.	As highlighted in the Chief Officers report to the 30 March 2017 IJB, the Local Delivery Plan for the implementation of the Strategic Plan was scheduled to be presented to the June 2017 IJB meeting. However, to allow incorporation of work on whole system mapping and medium term planning, it was agreed that the Local	Agreed. Work is underway to finalise the Local Delivery Plan for approval by the IJB	Chief Officer April 2018	IJB		

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	Delivery Plan would be presented to a later IJB. Interim updates should be provided to the IJB through the Chief Officer's report, including updates on the outputs from the logic modelling exercise.					
12.	Complaints information on services is presented within the Performance Reporting Framework and further discussions are ongoing about monitoring arrangements for health and integrated functions where these relate to Falkirk residents. The IJB Model Complaints Handling Procedure was approved by the 16 June 2017 IJB.	<p>Since April 2017, the Social Work Adult Services Complaint Handling Procedure has been in place. The IJB CHP was also approved in June 2017.</p> <p>Further work is on-going to develop performance information reports on the complaints received for the in-scope services of the HSCP. These will be presented in future reports to the IJB.</p>	<p>Programme Manager</p> <p>April 2018</p>			
13.	Nationally, consideration is being given to the efficacy of current arrangements for delegating appropriate Large Hospital budgets, including set aside budgets, to Integration Authorities. A plan for Large Hospital Services specifically linked to the IJBs responsibilities in relation to unscheduled care should be developed and the IJB should be kept informed of any further national guidance or policy.	<p>Agreed. This area will be taken forward in line with any emerging national guidance. Updates will be presented to the IJB.</p> <p>The work in respect of Unscheduled Care is linked to the integrated structures work noted above.</p>	<p>Chief Officer/Chief Finance Officer</p> <p>Ongoing</p>			

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Clinical & Care Governance						
14.	The role and remit of the Clinical and Care Governance Committee is under review and should be formally approved.	A separate Clinical & Care Governance audit is underway. All funding will be incorporated into a plan to implement the Clinical & Care Governance Framework	Medical Director Chief Social Work Officer TBC			
15.	Neither the CCGF nor the IJB's Performance Management Framework are prescriptive with regard to provision of clinical governance assurances and therefore Clinical & Care Governance responsibilities and lines of accountability between the parties and the IJB should be clearly documented, particularly in relation to delegated services.	As above	As above			
16.	Management should liaise with the parties to ensure that appropriate Clinical & Care Governance annual assurances are provided to them.	As above	As above			
17.	A clear, fully resourced plan to implement the CCGF should be put in place and monitored.	As above	As above			
18.	The Clinical and Care Governance Framework refers to the Clinical Care Governance Group providing oversight, including review and scrutiny of 'Significant adverse events including significant case	As above	As above			

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	reviews. The Adverse Event Management system for the IJB should be agreed.					
Financial Governance						
19.	There is a requirement to develop reporting in relation to set-aside budget.	Agreed. Discussions are ongoing with the IJB CFO section to look at the set aside budget, including reporting. There is also discussions taking place at a national level, involving the Scottish Government. The IJB will be kept informed of progress.	Chief Finance Officer Ongoing			
20.	Standing Orders scheduled for update in November 2016 should be reviewed and updated.	Agreed. These will be reviewed and any updated required will be presented to the IJB for approval.	Chief Officer/Chief Finance Officer April 2018			
21.	The issuing of final 2016/17 directions to Falkirk Council and NHS Forth Valley was approved by the IJB on 19 June 2017. Current directions are high level and further consideration will be required, linked to development of medium term financial strategy, and will require to consider, where applicable, the Good Practice notes.	A review of the use of Directions is ongoing. New Directions will be issued at part of the 2018/19 budget setting process.	Chief Finance Officer April 2018			

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22.	Management should ensure that the job description for the CFO is in compliance with the CIPFA statement on the role of the CFO and a process should be put in place to demonstrate annual compliance with the CIPFA statement on the role of the CFO.	To be discussed further				
Risk Management						
23.	The revised Risk Management Strategy states that where an operational risk affects multiple units and/or requires more senior leadership, it should be escalated to the senior leadership group and proposed to be treated as corporate risks. This is a change to the previous Risk Management Strategy which stated that operational risks should be escalated to the parties CMT. Management should ensure that the Risk Management Strategy as a whole, and arrangements for management of operational risks in particular, are consistent with the Risk Management Strategies of the parties.	<p>The Risk Reporting Framework sets out how risks should be reported.</p> <p>Operational risks should initially be considered within the respective partner's leadership structure, and then (if appropriate) also reported to the HSCP Leadership Team.</p> <p>The process should become more fluid and effective as the Leadership Team (and various sub groups) monitoring and reporting arrangements are embedded.</p>	TBC Ongoing			
24.	As reported to the March 2017 IJB, Lead Officers for each risk on the revised Strategic Risk Register had provided an update on their risks and should provide quarterly updates to the Leadership Group	The Strategic Risk Register was considered and agreed by the Leadership Team in September 2017, and the IJB in October 2017.	TBC Ongoing			

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	for monitoring and controls / mitigation, to the IJB Audit Committee for scrutiny and assurance and to the IJB Board for approval of the Strategic Risk Register.	The Leadership Group should continue to review it at least quarterly, and provide updates to IJB Audit Committee and then the IJB at least 6-monthly.				
25.	As agreed by the March 2017 IJB, a Risk Improvement Plan should be developed by October 2017 and should be reviewed 6-monthly by the Leadership Group, with updates provided to the IJB Audit Committee and the IJB.	A Risk Management Improvement Plan will be developed during 2017/18 and this will take account of good practice in other Integration Joint Board's.	TBC TBC			