Item No. 7

Meeting Date **Wednesday 17th April 2024**

Glasgow City
Integration Joint Board
Finance, Audit and Scrutiny Committee

Report By: **Chief Internal Auditor for the Integration Joint Board**

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Directions and Interactions

Purpose of Report:	To present to the Glasgow City Integration Joint Board Finance, Audit and Scrutiny Committee details of the internal audit work undertaken in relation to Directions to, and Interactions with, Glasgow City Council and NHS Greater Glasgow & Clyde.

Background/Engagement:	The Integrated Joint Board is required to comply with Article 7 of the Local Authority Accounts (Scotland) Regulations 2014. The regulations require a local authority to operate a professional and objective internal auditing service in accordance with recognised standards and practices in relation to internal auditing.

Governance Route:	The matters contained within this paper have been previously considered by the following group(s) as part of its development. HSCP Senior Management Team ☐ Council Corporate Management Team ☐ Health Board Corporate Management Team ☐ Council Committee ☐ Update requested by IJB ☐ Other ☐ Not Applicable ☒

Recommendations:	The IJB Finance, Audit and Scrutiny Committee is asked to: a) note the content of the report.

Relevance to Integration Joint Board Strategic Plan:
To provide assurance on various aspects of the Strategic Plan.

Implications for Health and Social Care Partnership:

Reference to National Health & Wellbeing Outcome:	n/a
Personnel:	There are no direct implications for staff as a result of the content of this paper.
Carers:	There are no direct implications for carers as a result of the content of this paper.
Provider Organisations:	There are no direct implications for provider organisations as a result of the content of this paper.
Equalities:	n/a
Fairer Scotland Compliance:	n/a
Financial:	There are no direct financial implications as a result of the content of this paper.
Legal:	The IJB will be compliant with: – The Integrated Resource Advisory Group guidance in relation to audit provision. – The Local Authority Accounts (Scotland) Regulations 2014.
Economic Impact:	There is no direct wider economic impact within the city as a result of this report.
Sustainability:	There are no direct sustainability implications as a result of the content of this paper.
Sustainable Procurement and Article 19:	There are no direct sustainable procurement and Article 19 implications as a result of the content of this paper.
Risk Implications:	Internal Audit facilitates the reduction of risks identified during the audit process.
Implications for Glasgow City Council:	The Internal Auditors of Glasgow City Council will continue to report to the Council on operational matters relating to Social Care services.
Implications for NHS Greater Glasgow & Clyde:	The Internal Auditors of the NHSGGC will continue to report to the NHS Board on operational matters relating to NHS services.

1 Introduction

1.1 As part of the agreed Internal Audit plan, we have carried out a review of the directions process within the Glasgow City Integration Joint Board (IJB) and assessed how the IJB interacts with its partners, Glasgow City Council (the Council) and NHS Greater Glasgow and Clyde (NHSGGC), in relation to directions.

1.2 Directions are the technical mechanism through which the IJB commissions its partners to deliver the priorities outlined in the IJB's Strategic Plan. They are legally binding, and the Public Bodies (Joint Working) (Scotland) Act 2014 and supplementary 2020 Scottish Government Guidance establish the framework within which they operate.

1.3 The critical financial challenges currently facing the public sector means that the working arrangements and interactions with the IJB's partner organisations are more crucial than ever. To effectively deliver on the IJB's strategic aims, good working relationships and an understanding of the wider environment that both partner organisations operate in is essential.

1.4 The Governance and Strategic Planning team, part of the Glasgow Health and Social Care Partnership (HSCP), is responsible for the administration of directions; this includes reviewing draft directions and supporting the author, assisting with the associated governance processes, and subsequently logging and monitoring all approved directions.

1.5 The purpose of the audit was to ensure there are sufficient and appropriate controls in place covering the IJB's directions to, and interactions with, its Council and NHSGGC partners. The scope of the audit included:

- Roles and responsibilities in relation to issuance of directions to, and interactions with, the Council and NHSGGC.
- Communication arrangements and, where necessary, escalation procedures.
- Monitoring arrangements, including compliance with agreed procedures.
- Reporting arrangements to both senior management and the IJB Board.

2 Audit Opinion

2.1 Based on the audit work carried out, assurance can be taken that the control environment is satisfactory. The audit has identified one service improvement which management should consider.

3 Main Findings

3.1 We are pleased to report that the key controls are in place and are operating effectively. There is a directions flowchart which outlines all stages of the process for issuing, logging, and monitoring directions, along with the responsibility for each stage, and this is available to all relevant staff. There is a standard template for use when issuing a direction and this is also available to all staff.

3.2 Directions are legally assigned to the Chief Executives of the Council and NHSGGC, and staff from the HSCP are responsible for carrying out the work to deliver on these. We found that there are appropriate communication arrangements between the partners, with opportunities to discuss directions, and the work required to implement them, on both a formal and informal basis. There are several governance and operational groups, such as the Senior Management Team and the Core Leadership Groups, which facilitate the delivery of work and we found that these groups are operating as expected and a record is maintained.

3.3 Directions are recorded and monitored by staff in the Governance and Strategic Planning team through a monitoring log. We confirmed that the log is up-to-date and subject to periodic review in line with agreed procedures. Where an existing direction is superseded by a new direction, there is a process in place to ensure that the correct direction is monitored.

3.4 The directions log is regularly reported to the IJB Board, both as an appendix to the quarterly budget monitoring reports and in the form of an annual directions report; this provides sufficient opportunities for Board Members to scrutinise directions and raise any queries with officers.

3.5 We selected a sample of five directions for review and found that in all cases, the agreed template had been completed, the directions were recorded on the monitoring log, and the directions issued were clearly defined and in line with the IJB's responsibilities.

3.6 However, our audit testing also identified an opportunity for improvement in existing arrangements. An additional guidance document for the Governance and Strategic Planning team has been drafted and this includes some information relating to the directions process, however it does not include details such as how staff know when a direction should be issued or when to seek updates on the status of individual directions.

3.7 An action plan is provided at section four outlining our observations, risks, and recommendations. We have made one service improvement:

Priority	Definition	Total
High	Key controls absent, not being operated as designed or could be improved. Urgent attention required.	0
Medium	Less critically important controls absent, not being operated as designed or could be improved.	0
Low	Lower-level controls absent, not being operated as designed or could be improved.	0
Service Improvement	Opportunities for business improvement and/or efficiencies have been identified.	1

3.8 The audit has been undertaken in accordance with the Public Sector Internal Audit Standards.

3.9 We would like to thank officers involved in this audit for their cooperation and assistance.

4 Action Plan

No.	Observation and Findings	Service Improvement	Management Response
1	The Governance and Strategic Planning team has drafted, and is now reviewing, a new guidance document covering the governance processes for the IJB and IJB Committees. The document includes some information in relation to directions however, it does not include: • The definition of a direction and the legal requirement to issue these. • The criteria to be applied when deciding if a Board report should include a direction and thereafter formal communication to one or both partners. • Arrangements in respect of following up on the status of active directions with the responsible officers. However, we do recognise that these elements are covered within the flowchart document which includes a link to the Scottish Government guidance.	The Governance and Strategic Planning team should consider including the areas noted in the observation within the governance processes document for completeness. Once the document is agreed this should be shared with all relevant staff.	**Response:** Accepted. The points noted will be included in the guidance. **Officer Responsible for Implementation:** Head of Business Development **Timescales for Implementation:** 30 June 2024