

## INTERNAL AUDIT PLAN 2019/20

### 1. PURPOSE OF THE REPORT

The purpose of this paper is to seek approval of the Annual Internal Audit Plan for Angus Integrated Joint Board (IJB) for 2019/20.

### 2. RECOMMENDATIONS

The IJB is asked to:

- Approve the 2019/20 annual plan.

### 3. BACKGROUND

As stated in the IRAG guidance, it is the responsibility of the IJB to establish adequate and proportionate internal audit arrangements for review of the adequacy of the arrangements for risk management, governance and control of the delegated resources. Following a meeting of Angus IJB in March 2016, Fife, Tayside and Forth Valley Audit and Management Services (FTF) were appointed as the IJB's Internal Audit Service annually on an ongoing basis.

Resources to deliver the plan will be provided by the NHS Tayside and Angus Council Internal Audit services. A total of 50 days have been included in the 2019/20 Internal Audit Plans of the parties.

As in 2019/20, planning the allocation of the discretionary elements of this year's plan was focused on Angus IJB's Strategic Risk Register, with individual topics also informed through discussions with HSCP managers and by the professional views of the IJB Chief Officer and Chief Financial Officer and the Chief Internal Auditors of both parties.

It also takes account of assurance which can be provided to the IJB based on work performed under the Internal Audit plans of both parties.

We would highlight that the plan is predicated on the basis that operational controls over services are maintained and assured through the parties. An Internal Audit Joint Working Protocol has been agreed by the Internal Auditors of both parties as has a Protocol for sharing Internal Audit Outputs. Audit Committee members are asked to note that audits to be shared under the output sharing protocol will provide additional assurance to the IJB.

The audit plan is designed to provide the Chief Internal Auditor with sufficient evidence to form an opinion on the adequacy and effectiveness of internal controls.

The draft operational plan for 2019/20 has been designed to target the priority issues identified by our assessment of risk. The plan includes the delivery of standard products required each year, and is further based on professional judgement of the IJB risk environment. We therefore assessed audit need based on the IJB's own strategic risks as well as areas for improvement noted in the Governance Statement, our findings from our 2018/19 Annual Internal Audit Report and benchmarking with other IJBs. We have also discussed the proposed plan with the Chief Officer and Chief Finance Officer to ensure the substantive audit assignments add value.

The proposed plan is set out below:

Ref	Audit	Indicative Scope	Days	Target Audit Committee
AN01-20	Audit Planning	Agreeing audit universe and preparation of strategic plan	3	June 2019
AN02-20	Audit Management	Liaison with management and attendance at Audit Committee	5	Ongoing
AN03-20	Annual Internal Audit Report	CIA's annual assurance statement to the IJB and review of governance self-assessment	7	June 2019
AN04-20	Governance & Assurance	Ongoing support and advice on further development of governance and assurance structures, including issues identified as part of the annual report process and the self	5	Ongoing

		assessment against the MSG report		
<b>AN05-20</b>	Risk Management	<p>Extension to work commenced under previous audit plan on review of systems of risk management, assessment of risk maturity and consideration of assurance mechanisms for key controls.</p> <p>Work is underway to revise the IJB Risk Management Policy &amp; Strategy</p> <p>As a component within the overall assurance system across the 3 statutory partners, arrangements for Angus IJB will also be affected by the work undertaken by both Angus Council and NHS Tayside on their respective risk management arrangements.</p>	10	August 2019
<b>AN06-19</b>	Data Quality	<p>Accuracy of data used for strategic and operational (including financial) planning, management and performance monitoring</p> <p>This work will link to a number of the IJB's strategic risks</p>	20	December 2019

Work to deliver the internal audit plan is undertaken under the supervision of the Chief Internal Auditor.

#### **4. CONSULTATION**

The Chief Officer, the Chief Finance Officer and the Chief Internal Auditor of Angus Council have been consulted on the content of this paper.

**A Gaskin BSc ACA**  
**Chief Internal Auditor**

Audit Need Assessment based on Angus Health & Social Care Partnership – Corporate Strategic Risk Rating Matrix as at April 2019				
	Risk Title / Description	Owner Manager	Current Risk Level	Internal Audit coverage 2019-20
1	Sustainability of Primary Care Services	Medical Director (JG)	20 (5x4) RED	<b>Included? No</b>  <u>Rationale</u> This is an area in progress and would best be reviewed once settled arrangements have been in place and operating for a period sufficient to allow meaningful assessment. Discussion with management that audit unlikely to add value at this point. Limited audit resource to be targeted elsewhere.
2	Prescribing Management	Clinical Director (AC)	20 (4x5) RED	<b>Included? No</b>  <u>Rationale</u> Previous Audit Coverage under 2018/19 plan
3	Financial Management	Chief Officer (VI)	16 (4x4) AMBER	<b>Included? Yes</b>  <u>Rationale</u> Data Quality impacts on financial planning and management processes
4	Enhanced Community Support	Head of Community Health & Care Services (North Angus) (GS)	3 (1x3) GREEN	<b>Included? No</b>  <u>Rationale</u> Limited audit resource. Risk score low and risk to be archived
5	Performance Management	Head of Community Health & Care Services (North Angus) (GS)	12 (4X3) AMBER	<b>Included? Yes</b>  <u>Rationale</u> Previous audit coverage in 2016/17 plan under AN06/17. Actions still ongoing.  Data Quality impacts on Performance management

Audit Need Assessment based on Angus Health & Social Care Partnership – Corporate Strategic Risk Rating Matrix as at April 2019				
	Risk Title / Description	Owner Manager	Current Risk Level	Internal Audit coverage 2019-20
6	Workforce Optimisation	Head of Mental Health Services (BT)	20 (4x5) RED	<p><b>Included? No</b></p> <p><u>Rationale</u> Previous audit coverage in 2018/19 plan under AN06/19. Actions still ongoing.</p> <p>Internal Audit has also reflected on discussions at the April 2019 AIJB Audit Committee. The effectiveness of the implementation of the workforce plan should be monitored by the IJB.</p>
7	Complex and Co-existing Conditions	Clinical Director (AC)	16 (4x4) AMBER	<p><b>Included? No</b></p> <p><u>Rationale</u> Limited audit resource to be targeted elsewhere Discussion with management that audit unlikely to add value at this point.</p>
8	Compliance with GDPR and Data Protection Act 2018	Clinical Director (AC)	9 (3x3) YELLOW	<p><b>Included? No</b></p> <p><u>Rationale</u> Information Governance included in partners' audit plans and reviewed as part of year end assurance work.</p>
9	Commissioned Service Provider Failure	Head of Community Health & Care Services (South Angus) (GB)	12 (3x4) AMBER	<p><b>Included? No</b></p> <p><u>Rationale</u> New risk with a high score. To be considered for future audit plans</p>
10	European Union (EU) Withdrawal	Head of Mental Health Services (BT)	9 (3x3) YELLOW	<p><b>Included? No</b></p> <p><u>Rationale</u> New risk with a medium score. Coverage in NHS Tayside internal audit plan</p>