

# FTF Internal Audit Service

## Angus IJB Internal Audit Service Governance and Assurance AN04/21 Memo

**Issued To:** G Smith, Interim Chief Officer  
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B Tucker, RCN Representative  
N Owen, Unison Steward

Angus Integration Joint Board  
External Audit

**Date of Issue: 31 May 2021**

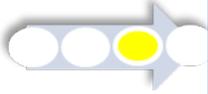
**1. Situation and Background**

- 1.1. The Covid-19 pandemic has inevitably impacted on the organisation’s objectives and risk profile, and thus assurance needs. Taking account of this, we reviewed the impact of Covid-19 on existing governance arrangements using a checklist based on both questions developed by Audit Scotland on areas Audit Committee members may seek assurance on, as well as those developed by ourselves for FTF clients.
- 1.2. Internal Audit joined a series of Angus Health & Social Care Partnership (HSCP) Leadership Response Team (LRT) meetings to discuss each area of governance, collated responses and reviewed supporting documentation where applicable.

**2. Assessment**

- 2.1. The table sets out the level of assurance for each area of governance specifically in relation to the impact of Covid-19. Given the specific scope of the review, it does not provide assurance on the overall governance framework in place in these areas. The system of internal control that supports the achievement of the IJB’s will be reviewed in the internal audit annual report 2020/21, to be presented to the June 2021 Audit Committee.

Level of Assurance (note this relates to impact of Covid and is not intended as assurance over the overall framework)			
Governance		Comprehensive Assurance	<ul style="list-style-type: none"> <li>• Oversight and scrutiny of key decisions maintained</li> <li>• effective relationship with IJB members maintained</li> <li>• Clear decision making through LRT in line with good practice</li> </ul> <p>See Paras 2.4 &amp;2.5</p>
Risk Management		Comprehensive Assurance	<ul style="list-style-type: none"> <li>• Strategic Risk Register fully updated including reflecting the impact of Covid.</li> <li>• Clear link to risk identification and management from the work of the HSCP LRT</li> <li>• <i>(Note: improvements to general RM processes are also progressing)</i></li> </ul> <p>See Para 2.2</p>
Strategy & Service Delivery		Comprehensive Assurance	<ul style="list-style-type: none"> <li>• Initial experiences from Wave 1 evaluated.</li> <li>• Impact on future service needs and provision recognised. Collaborative working in place.</li> </ul> <p>See Para 2.3</p>

Staff		Comprehensive Assurance	For HSCP: <ul style="list-style-type: none"> <li>• Appropriate groups, plans and processes were put in place to deal with Communication and welfare support to staff.</li> </ul>
Staff		Limited Assurance	For Partners/ employers <ul style="list-style-type: none"> <li>• Variance in approach to staff governance between the HSCP's partners (e.g. working from home)- 2 separate employers. Assurances may not be available at year end.</li> </ul>
IT		Comprehensive Assurance	<ul style="list-style-type: none"> <li>• Increased provision and support from both partners.</li> <li>• Practical problems overcome and solutions identified.</li> </ul>
Finance		Moderate Assurance	<ul style="list-style-type: none"> <li>• Financial risks recognised, with increased monitoring and reporting at management, governance and government level.</li> </ul> <p>See Para 2.6</p>

2.2. Based on our detailed discussion with the LRT and on review of relevant documentation, we formed an overall positive impression opinion of the culture and leadership of the organisation and how its governance and management arrangements responded to the Covid-19 crisis. In addition, we welcome the openness by the partnership to learning from the experience to date and identifying areas for future development, including strategic direction and service delivery. While noting that the IJB's Strategic Planning Group has agreed to defer development of the next Strategic Commissioning Plan, consideration should be given to ensuring these are not lost from sight (see Para 2.4).

Areas for further management consideration

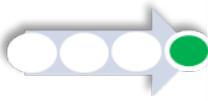
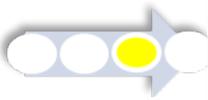
- 2.3. An action to revisit the Strategic Commissioning plan was agreed as part of the Annual Internal Audit report for 2019/20. We would further suggest that learning and ideas generated during this crisis are evaluated for mainstreaming.
- 2.4. Our discussions with management highlighted that the pandemic exacerbated known complexities and ambiguities in the relationship between the IJB and its partners as well as providing some positive aspects where it required an immediate and joint focus on difficult issues.
- 2.5. We have previously recommended clarifying all governance & accountability arrangements and this is to be taken forward as part of a review of Integration Schemes across Tayside. Whilst Angus IJB is ready to progress this work, work across Tayside has been delayed due to the demands of the pandemic on management capacity but this process must take into account the lessons from the pandemic, both positive and negative.
- 2.6. The biggest area of uncertainty has been with respect to provider support and assessing costs associated with this. The capacity was not in place to manage this process properly

initially and there is a degree of uncertainty about cost projections. While it was anticipated these would be resolved by year-end, we have been informed that there remain some residual financial reporting risks. We have been informed that Angus Council staff are continuing to work towards improving the associated financial information.

**3. Recommendation**

- 3.1. The impact of Covid-19 on the organisation's risks and controls during the year is a key consideration in the compilation of year-end assurances by management and committees.

**Annex 1- Definitions**

Level of Assurance	System Adequacy	System Adequacy	Controls
Comprehensive Assurance		Robust framework of key controls ensure objectives are likely to be achieved.	Controls are applied continuously or with only minor lapses.
Moderate Assurance		Adequate framework of key controls with minor weaknesses present.	Controls are applied frequently but with evidence of non-compliance.
Limited Assurance		Satisfactory framework of key controls but with significant weaknesses evident which are likely to undermine the achievement of objectives.	Controls are applied but with some significant lapses.
No Assurance		High risk of objectives not being achieved due to the absence of key internal controls.	Significant breakdown in the application of controls.