



ANGUS HEALTH AND SOCIAL CARE

INTEGRATION JOINT BOARD AUDIT COMMITTEE – 8 DECEMBER 2021

INTERNAL AUDIT REPORTS - FOLLOW UP ACTIONS

REPORT BY ALEXANDER BERRY, CHIEF FINANCE OFFICER

ABSTRACT

The aim of this paper is to update the IJB Audit Committee regarding the IJB's progress with meeting the recommendations of Internal Audit reports.

1. RECOMMENDATION

It is recommended that the Integration Joint Board Audit Committee:-

- (i) Notes the report and the progress made to date in terms of delivering the planned response.

2. BACKGROUND

- 2.1 On a regular basis the IJB's Audit Committee receives Internal Audit Final reports setting out the findings of agreed Internal Audits. Many of these reports have recommendations for improvements contained within them and the final versions of reports will have agreed "management responses" to those recommendations of the Internal Auditors. All "management responses" will have timelines and associated lead officers. This report provides an update regarding progress with "management responses".

Status updates are provided by Lead Officers and collated in the period prior to an Audit Committee. On that basis, action status information will not always be perfectly up to date by the date of an Audit Committee.

Progress is described using an agreed clarification shown below for reference. Note that in all instances, the commentary in the appendix may provide further information.

Status Category	Explanation of Status
TBC	Still "To be confirmed" – e.g. where no information is available.
Complete	Action complete.
Complete (Ongoing)	Action complete, but with an ongoing requirement.
Not Yet Started	Applies to actions not overdue.
Limited Progress	Applies to actions not overdue.
Good Progress	Applies to actions not overdue.
Overdue (*Not Yet Started/ Limited Progress/Good Progress)	Overdue actions with detail re progress.
Superseded	Action superseded or no longer relevant. Commentary will provide clarity.

Actions that are “complete” will be reported for 2 successive Audit Committees to provide context. Some actions may eventually be superseded by other circumstances, recommendations or actions. Once noted as “Superseded”, actions will not be reported at further Audit Committees.

2.2 Actions re report AN07/18 (Financial Management)

Work has progressed to reconcile finance and contracting information, but as at mid-November 2021, this was still not concluded. Changes in senior staffing within procurement is a contributory factor.

2.3 Actions re report AN05/20 (Risk Management)

An updated Risk Management Strategic was agreed at the IJB’s April 2021 meeting. A development session on this issue was then held in August 2021 and a number of follow up actions will be progressed on the back of that. Recent capacity issues have delayed the progress with this.

2.4 Actions re report AN06/20 (Data Quality)

The progression of some of these improvement actions continues to be delayed due to COVID-19 responses. However progress has been started to be made with some aspects of the action plan and others will be progressed as soon as capacity allows.

2.5 Actions re report AN05/21 (Charging for Services)

As noted previously, only a series of headline actions are captured in this update. Progress is underway however developing initial reviews into a consolidated action plan may prove challenging due to capacity issues.

2.6 Actions re report Annual Internal Audit Report

Understandably these recommendations are more wide-ranging. Most are technically due by the end of December 2021, but there are some overall capacity issues that will delay progress.

2.7 The Audit Committee has previously indicated a willingness to intervene or lend support to assist progress outstanding actions. At the moment, there are no recommended interventions asked of the Audit Committee.

3. PROPOSALS

3.1 Overall the numbers of new action points appear to exceed the issues being resolved. This results in the backlog evidenced in appendix 1. Most issues that have escalated to “audit actions” are characterised by their complexity and multi-faceted nature. Resolution requires capacity across the system to solve issues of this type and currently there isn’t capacity across all parts of the system, concurrently, to resolve a number of issues. The IJB is seeking to address capacity issues at a number of levels.

3.2 The Audit Committee are asked to note the report and the progress made to date in terms of delivering the planned response.

4. EQUALITY IMPACT ASSESSMENT

An Equality Impact Assessment is not required.

5. DIRECTIONS

The Integration Joint Board requires a mechanism to action its strategic commissioning plans and this is provided for in Section 26 to 28 of the Public Bodies (Joint Working) (Scotland) Act 2014. This mechanism takes the form of binding directions from the Integration Joint Board to one or both of Angus Council and NHS Tayside.

Direction Required to Angus Council, NHS Tayside or Both	Direction to:	
	No Direction Required	X
	Angus Council	
	NHS Tayside	
	Angus Council and NHS Tayside	

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Appendix 1: Angus IJB Internal Audit reports – Follow Up Actions

Angus Integration Joint Board: Internal Audit Reports - Follow-up Action

Appendix 1

IJB Audit Report	Rec. Ref.	Recommendation	Priority	Management Response / Action	Action by	Due Date	Status at Audit Committees			December 2021 - Status - Comment
							Jun-21	Sep-21	Dec-21	
AN07/18 Financial Management	2	It is recommended that the procurement & Commissioning Manager and the Finance Services Manager (Team A) meet to discuss how best to link the contract information to the financial systems in future	3	The IJB and Procurement and Commissioning Manager agree this work needs progressed and concluded. Further work to reconcile Contracts register with Finance information (e.g. budgets) will be led by Finance Manager and Procurement and Commissioning Manager and reported through the Third Party Providers forum. Note - Although action agreed for more than 2 meetings, this action will remain on this list until the 2021/22 report has been issued.	Proc. & Comm. Manager / Finance Manager (Angus Council)	Dec. 2018	Complete	Complete	Complete	On an annual basis, from 21/22, a co-authored report from Finance/Procurement (called Finance (Budget) / Contracts Annual Reconciliation) will be shared with the Third Party Provider Working Group (or any relevant successor group), by September of each financial year, confirming the reconciliation. As at November 2021, this remains outstanding for 2021/22.
AN05/20 Risk Management	3	The Board should formally agree the IJB risk appetite using an agreed methodology and this should be incorporated in to the Risk Policy and Strategy.	Significant	The IJB will consider the development of the IJB's Risk Appetite and incorporate this into a future iteration of the Risk Policy and Strategy.	Chief Officer	Dec. 2020	Overdue - Limited Progress	Overdue - Good progress	Overdue - Good progress	Considered at Risk Management development session (August 2021). Risk appetite to be subsequently developed. Timescale and next steps after development session to be confirmed with an update report expected to future IJB Audit Committee.
AN05/20	4	A formal ongoing training programme/record should be maintained to ensure that all relevant staff, including Board and Audit Committee members, have received risk training.	Merits Attention	The IJB has to keep in mind the time demands on Board members and Audit Committee members, many of whom will also be participants in other forums where risk management is also a feature. Through the IJB's Improvement and Development Team, the IJB will develop and record risk training to ensure that all relevant staff have received risk training.	Head of Service (North)	Feb. 2021	Overdue - Limited Progress	Overdue - Limited Progress	Overdue - Limited Progress	Intentions now reflected in IJB's Risk Management documents. At very preliminary stages of planning and action plan still to be agreed. Plans regarding ongoing training to be confirmed in expected report to future IJB Audit Committee.
AN05/20	6	The Angus HSCP Improvement plan should specifically include governance and assurance arrangements required from partners and from IJBs hosting services on behalf of the Angus HSCP.	Significant	As part of the IJB's review of its Risk Management Strategy & Policy, governance and assurance arrangements required from partners and from IJBs hosting services on behalf of the Angus will be addressed.	Chief Officer	Dec. 2020	Overdue (Good Progress)	Overdue (Good Progress)	Overdue (Good Progress)	From an Angus perspective risk reporting for hosted services is direct to CCPG. Tayside IJB's now looking at collectively improved and shared hosted services reporting, including determining locus for that reporting. Ultimately aspire to consolidate performance, risk and financial reporting consistently with an expectation of progress by end of 2021/22.
AN06/20 Data Quality	1(a)	Action is required to ensure that in future the needs of all parties (NHST, Local Authority and IJB) are considered when key IT development decisions are being taken and any IT problems that arise due to the unique circumstances of an H&SCP can be discussed and resolved timeously. In addition, the possibility of interfaces sharing information between systems should be explored. As part of an internal audit report for Dundee IJB (D04/19 Information Technology and Governance as enablers of integration) an action was agreed that 2 out of the 4 meetings per year of the Workplace Enablement (WPE) group which has a remit in relation to this work were to include Angus and P&K representation. We would encourage active participation in this work.	Merits Attention	The Partnership will review opportunities for improvement with regard to Information Technology. This will include considering interfaces between systems and reviewing the options to work with Partners and neighbouring IJBs and...	Chief Officer	Mar-21	Overdue - Not Started Yet	Overdue - Not Started Yet	Overdue (Limited Progress)	Progress deferred due to COVID-19. To be escalated via Integration Scheme review of support arrangements. Given limited opportunity for Angus IJB to progress improved IT in isolation, separate work will consider improved access across systems. Future updates to come from those leading Digital Improvement plan.
	1(b)	(...including participation in the Workplace Enablement (WPE) Group)		Was Chief Officer, now Lead AHP	Mar-21	Overdue - Not Started Yet	Overdue - Not Started Yet	Overdue (Limited Progress)	Progress deferred due to COVID-19. Nominee had been agreed (Angela Murphy, Angus AHP Lead as representative of Digital Improvement Group). NHST feedback is that WPE forums would be better managed on a locality by locality basis and they will endeavour to progress this. This will make WPE forums locally focussed but wont aid regional consistency.	
AN06/20	2	We would therefore recommend that the HSCP receives updates on the progress of both the reconciliation of finance and activity information and the implementation of the Home Care contract monitoring system as well as assurance on staffing capacity to ensure current controls will remain ongoing.	Merits Attention	1) The Partnership will continue to progress the work to systematically reconcile finance and activity information.	CFO	Mar-21	Overdue - Good Progress	Overdue - Good Progress	Overdue - Good Progress	Work ongoing. Eclipse migration from Carefirst progressing. Reconciliation dependent on Contract Monitoring system (see below). Regular updates re data quality circulated to management.
				2) The Partnership will progress the implementation of the Home Care Contract Monitoring system to support invoicing and improved data quality.	Head of Service (South)	Mar-21	Overdue - Limited progress	Overdue - Limited progress	Overdue - Limited progress	Most SDS option 3 providers now moved to new system. Work now being undertaken to determine best system capability to move to automated invoicing.
				3) In addition the Partnership recognises that some data requirements (e.g. actual activity rather than planned activity, Carers activity) are not currently well recorded in data systems and will look to develop this going forward.	Head of Service (South)	Mar-21	Overdue - Limited progress	Overdue - Limited progress	Overdue - Limited progress	Recognition of actual rather than planned activity is progressing - dependent on move to Eclipse etc as noted above. Carers activity still hard to disaggregate. Can only be considered post Eclipse migration and, even then, would require a major change in care package recording. This further work will be considered in due course.
				4) The Partnership will ensure clear responsibilities for data quality after recent staff turnover.	Chief Officer	Dec-20	Complete	Complete	Complete	Staffing sub-structure (linked to data quality issues) now resolved and placed on a permanently funded basis. Separately, lead role still to be filled.
				Note - Although action agreed for more than 2 meetings, this action will remain on this list until the lead role filled.						

Angus Integration Joint Board: Internal Audit Reports - Follow-up Action

Appendix 1 (Cont.)

IJB Audit Report	Rec. Ref.	Recommendation	Priority	Management Response / Action	Action by	Due Date	Status at Audit Committees			December 2021 - Status - Comment
							Jun-21	Sep-21	Dec-21	
AN05/21 Charging For Services	1	This Internal Audit report was of a consultancy nature and did not generate specific set of actions but set out key findings and areas for improvement. This has been translated in to 3 summarised and stepped management actions.	All steps treated as Significant	Further review of the report output by Angus HSCP Charging Group and Angus Council.	Chief Finance Officer/ Angus Council Director of Finance	Sep-21	N/A	Complete	Complete	Background discussion completed August 2021.
AN05/21	2	Development of a resourced improvement plan with agreed timelines and leadership and support from Angus IJB and Angus Council.		Progression of the agreed Improvement Plan		Dec-21	N/A	Limited Progress	Good Progress	Improvement plan still being developed. Limited resource to oversee overall improvement programme.
AN05/21	3					Mar-22	N/A	Not Started Yet	Not Started Yet	No move to implementation at this stage.
AN0x/21 Annual Internal Audit Report 2020/21	1	(Abbreviated) The direction of travel for review and revision of the Strategic Commissioning Plan should be documented; Revision of the Strategy should include alignment to the Transformation and Re-mobilisation Plans to support the sustainability of the HSCP in the future. A project plan and timetable should be established to progress this work. There should be effective governance and oversight of this key area so that the IJB can formally scrutinise the arrangements, and in particular approve the principles underlying remobilisation and reconfiguration planning. The IJB should be engaged in all key decisions, and in setting the vision/direction for the next iteration of the plan; The Board should be provided with regular overviews of whether Recovery, Remobilisation and strategy development is on track, key achievements, challenges and risks and any significant implications for strategy and priorities.	Significant	The IJB will request the IJB's Strategic Planning Group to consider this recommendation and report back to a future Audit Committee (target December 2021) and share its proposals for developing the Strategic plan with the IJB by December 2021. This will form part of the development discussions being held with the IJB's Strategic Planning Group in October 2021.	Head of Service (GB)	Dec-21	N/A	N/A	Limited progress	Some delay due to work COVID-19 issues but an update provided to IJB in December 2021; update and discussion re Internal Audit recommendations to be submitted to next Strategic Planning Group.
AN0x/21	3	Audit Recommendation: The IJB is developing an annual work plan. Whilst a number of reports are included on a cyclical basis, we would recommend that, to further develop good governance arrangements, an IJB assurance plan could be implemented to ensure assurance on all risks is provided to the IJB, including necessary assurances from partner organisation. The FTF internal audit assurance principles are appended to this report and should be used to inform development of any assurance work plan. As part of the development of the work plan for the IJB, the IJB should consider how it will receive assurance on each of these risks. Some may require to be provided by the partners, to ensure the IJB receives assurance that its strategies and statutory responsibilities are supported by the enabling strategies and governance arrangements of its partners and these are appropriately prioritised, resourced and monitored.	Moderate	The IJB will request the IJB's Executive Management Team to consider this recommendation and report back to a future Audit Committee (target December 2021 as part of the mid-year Risk Management update). This update will set out plans to ensure the IJB receives feedback regarding its strategic risks from appropriate sub-committees or other forums.	Chief Officer and AMD	Dec-21	N/A	N/A	N/A	Due to volume of current business (linked to COVID-129) this item has not yet been considered.
AN0x/21	4a	We welcome proposals to establish a committee with oversight of performance and resources issues and would recommend that reporting ensures a rounded view of overall performance, financial sustainability and progress in implementing the priorities set out in the Strategic Plan, linked to assurance on strategic risks (see action point 3 above).	Significant	The IJB is already progressing proposals regarding a subcommittee considering performance and resources issues. The Committee principles as appended will be considered as part of developing its approach.	Chief Officer	Dec-21	N/A	N/A	Limited Progress	Previous intentions to develop a new sub-committee have stalled due to current volume of business (linked to COVID-19). The IJB will revisit these proposals in due course but most likely for start of 2022/23.
AN0x/21	4b	In the context of our comments on performance monitoring arrangements above, and the development of a Performance & Resources Committee, performance reports should, where possible, be increasingly related to specific risks and should contain a conclusion on whether the performance reports indicate that controls are operating effectively to mitigate the risk as intended.	Significant	A) The IJB will ask the IJB's CCPG to consider developing performance monitoring that is increasingly linked to the IJB's risk. B) In addition the IJB will consider the development of a performance monitoring forum.	AMD and HoS (JG)	Dec-21	N/A	N/A	N/A	A) CCPG already monitoring performance through the quality assurance framework; B) IJB currently recruiting to a information analyst post and will establish a performance monitoring group once that post is appointed to
AN0x/21	5	We recommend that the IJB ensures it receives more active assurance in this area through presentation of the partner bodies annual Whistle blowing reports and an annual evaluation of their policies to assure the IJB that there are no gaps and that any concerns raised are appropriately addressed. This may be reported to a subgroup, with the IJB receiving overall assurance that this group has fulfilled its remit.	Merits Attention	The IJB will seek to channel assurances regarding this issue through the IJB's Staff Partnership Forum on an annual basis (Quarter 4 of each year) and in turn reflect this in the Annual Workforce (Plan) report to the IJB.	HoS (GB)	Mar-22 & Aug-22	N/A	N/A	Good progress	Arrangements being made with HR Departments to take reports to Angus Staff Partnership Forum.