



## ANGUS HEALTH AND SOCIAL CARE

### INTEGRATION JOINT BOARD AUDIT COMMITTEE – 20 APRIL 2022

#### 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 with recommendations for improvements contained within them. Those "recommendations" will usually have agreed "management responses" with 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Status updates are provided by Lead Officers and collated in the period prior to an Audit Committee and could be out of date by the date of an Audit Committee.

Progress is described using agreed status categories shown below. 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Superseded	Action superseded or no longer relevant.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 Some actions may eventually be superseded by other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 Once noted as “Superseded”, actions will not be reported at further Audit Committees.

From this report, the “Due Date” column also includes a revised planned completion date. In addition, after feedback from the last Audit Committee a new column “Impact of Delay” has been added.

2.2 Actions re report AN07/18 (Financial Management)

Work has progressed to reconcile finance and contracting information, but as at mid-March 2022, this has not concluded. Changes in senior staffing within procurement is a contributory factor. It is now expected this will be undertaken for 2022/23.

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 but ongoing 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. Progress has been started to be made with some aspects of the action plan however much progress will now be delayed due to the deferral of the introduction of the Eclipse system to 2024. This is a significant delay and will have impact on the IJB including with regard to data quality and issues noted in this internal audit.

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 continues to prove challenging due to capacity issues.

2.6 Actions re report Annual Internal Audit Report

Understandably these recommendations are more wide-ranging but, as with issues noted above, there are overall capacity issues that are delaying progress.

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

2.8 At the last Audit Committee, it was suggested that longer standing actions be reviewed in terms of their retention. The IJB’s Internal Auditors have undertaken this review (attached at appendix 2). Their general recommendation is that all actions in this report and the Governance Actions report are retained. They also recommend that where an action is likely to be undeliverable then the resulting risk should be assessed and considered for inclusion in the IJB’s strategic risk register. It should be noted that any unresolved issues that were associated with significant risks could reasonably be expected to already be on the IJB’s risk register.

However it is important to note that due to capacity constraints some of the updates in appendix 1 (marked with an “\*”) have not been provided by the main respondent but by the report author.

### 3. PROPOSALS

3.1 The IJB continues to have a back-log of actions. Most issues that have escalated to “audit actions” are characterised by their complexity and multi-faceted nature. As noted previously, 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 continues to seek 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.

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

Appendix 2 : Angus IJB's Internal Auditors Review of Outstanding Governance 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			April 2022 - Status - Comment	
							Dec-21	Apr-22	Impact of Delay		
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.	Team Leaders (Procurement / Finance)	Originally Dec. 2018; Revised to Sept. 2022.	Complete	Overdue - Limited Progress	Weakened governance	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. This was not completed for 2021/22 and it is now assumed will be undertaken for 2022/23.*	
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.	Head of Service (JG)	Originally Dec. 2020; Revised to Dec.2022	Overdue - Good progress	Overdue - Limited Progress	Weakened governance	Considered at Risk Management development session (August 2021). Risk appetite to be subsequently developed. Noted as unresolved in mid-year Risk Management Update. Timescale and next steps still 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 (JG)	Originally Feb.2021; Revised to Dec 2022	Overdue - Limited Progress	Overdue - Limited Progress	Weakened governance	Intentions reflected in IJB's Risk Management documents. Remains at 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.	Head of Service (JG)	Originally Dec. 2020; Revised to Dec.2022	Overdue (Good Progress)	Overdue (Good Progress)	Reduced ability to share position with other IJBs	From an Angus perspective risk reporting for hosted services is direct to CPG. 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 a revised expectation of progress in 2022/23. *	
AN06/20 Data Quality	1(a)	Action is required to ensure that in future the needs of all parties (NHS, 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...	AHP Lead / Integration Improvement Manager	Originally Mar. 2021; Revised to August 2022	Overdue (Limited Progress)	Overdue (Good Progress)	Weakened performance	NHS Digital Directorate has set up the Tayside Digital Transformation Partnership, including IJB representation. Work is underway to set up a similar local group in Angus HSCP to develop IT working in partnership across the HSCP, learning and sharing experience. This action will be deemed to be complete when this local group is set up.	
	1(b)	(...including participation in the Workplace Enablement (WPE) Group)		AHP Lead	Originally Mar. 2021; Revised to August 2022	Overdue (Limited Progress)	Overdue (Good Progress)	Weakened performance	The Workplace Enablement Group has not been set up Tayside wide. Its function will now be subsumed into the groups noted above.		
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	Originally Mar. 2021; Now delayed to 2024.	Overdue - Good Progress	Overdue - Limited progress	Weakened information governance	Progress with implementation of Eclipse (Finance Module) now stalled until 2024 with increased risk to the IJB. Issue under consideration by Programme Project Board.	
				2) The Partnership will progress the implementation of the Home Care Contract Monitoring system to support invoicing and improved data quality.	Senior Planning Officer (Strategic Relations)	Originally Mar. 2021; Revised to August 2022	Overdue - Limited progress	Overdue - Good Progress	Weakened information governance	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 (GB)	Originally Mar. 2021; Now delayed to 2024.	Overdue - Limited progress	Overdue - Limited progress	Weakened information governance	Recognition of actual rather than planned activity was dependent on move to Eclipse Finance Module (now stalled until 2024). Carers activity also still hard to disaggregate with solution dependent on Eclipse migration and major change in care package recording. This further work will be considered in due course. To note - temporary workarounds exist to quantify unmet need.	
				4) The Partnership will ensure clear responsibilities for data quality after recent staff turnover.	Chief Officer	Dec-20	Complete	Complete	N/A	Staffing sub-structure (linked to data quality issues) now resolved and placed on a permanently funded basis. Separately, lead role now 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			April 2022 - Status - Comment
							Dec-21	Apr-22	Impact of Delay	
AN05/21 Charging For Services	2	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	Development of a resourced improvement plan with agreed timelines and leadership and support from Angus IJB and Angus Council.	Chief Finance Officer/ Angus Council Director of Finance	Originally Dec 2021; Revised to June 2022	Good Progress	Overdue - Limited progress	Weakened governance	Improvement plan still being developed via Working Group with work broken into 4 workstreams. Complexity, scale and limited resource in critical areas such as IT systems development has delayed progress but expect this to improve now and more rapid progress to be made in next 2-3 months. Funding for time limited project support has now been offered.
AN05/21	3			Progression of the agreed Improvement Plan		Originally March 2022; Revised to Dec. 2022	Not Started Yet	Overdue - Limited progress	Weakened governance	Noting above, need to finalise assessment, mapping and future state work and begin implementation phase.
AN0x/21 Annual Internal Audit Report 2020/21	1a	(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.	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)	Originally Dec 2021; revised to Autumn 2022.	N/A	Overdue (Good Progress)	Weakened Planning	Information shared at Strategic Planning Group and updates regarding development of the next iteration of the Strategic Commissioning Plan will be shared with the IJB on an ongoing basis in 2022.
	1b	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.								
AN0x/21	3	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	Originally Dec 2021; revised to Dec 2022.	N/A	Overdue - Not started yet	Weakened Governance	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	Originally Dec 2021; revised to Dec 2022.	Limited Progress	Overdue - Limited progress	Weakened Governance	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 during 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)	Originally Dec 2021; revised to Dec 2022.	N/A	Overdue - Limited progress	Weakened Governance	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	Good progress	Complete	N/A	Arrangements now in place to submit reports to report to Angus Council and NHS Tayside and also to take reports Angus Staff Partnership Forum and Workforce Steering Group. Outputs to be noted in annual Workforce reports to the IJB.

**ANGUS HEALTH AND SOCIAL CARE**

**INTEGRATION JOINT BOARD AUDIT COMMITTEE – 20 APRIL 2022**

**REVIEW OF OUTSTANDING GOVERNANCE ACTIONS**

**REPORT BY TONY GASKIN, CHIEF INTERNAL AUDITOR**

**ABSTRACT**

The aim of this paper is to inform the Audit Committee of the results of our review of outstanding governance actions.

**1. RECOMMENDATIONS**

It is recommended that the Integration Joint Board:-

- (i) Note the results of the exercise undertaken to review outstanding governance actions
- (ii) Acknowledges any risks arising from non completion of actions

**2. BACKGROUND**

A number of longstanding complex issues have remained incomplete for a number of years and continue to feature in the IJB's Governance Statement as well as governance action plans. At their December 2021 meeting, Audit Committee members noted the constraints with regard to progressing governance improvement and supported a review of outstanding governance actions being taken forward in conjunction with the IJB's Internal Auditors by April 2022. This paper presents the results of this exercise.

**3. CURRENT POSITION**

Internal Auditors from both FTF and Angus Council reviewed all outstanding actions on the Governance Action Plan and Internal Audit Follow Up action plan. Whilst we found some crossover of topics between various outstanding action points, the focus and scope of each was sufficiently diverse that Internal Audit were of the opinion that it would be preferable to retain each point separately. No actions assessed as 'no longer relevant' were identified.

**4. PROPOSALS**

Where management consider that actions are unlikely to be addressed, the resulting risk should be formally acknowledged.

**5. FINANCIAL IMPLICATIONS**

There are no direct financial implications.

**6. RISK**

Risks arising from non completion of actions should be clearly stated and considered for inclusion on the risk register

**7. OTHER IMPLICATIONS (IF APPLICABLE)**

N/A

**8. EQUALITY IMPACT ASSESSMENT**

An Equality Impact Assessment is not required.

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