



ANGUS HEALTH AND SOCIAL CARE

INTEGRATION JOINT BOARD AUDIT COMMITTEE – 20 APRIL 2022

2021/22 INTERNAL AUDIT PLAN – PROGRESS REPORT

REPORT BY TONY GASKIN, CHIEF INTERNAL AUDITOR

ABSTRACT




The aim of this paper is to brief the Audit Committee on progress against the 2021/22 internal audit plan. This report also includes internal audit reports that were commissioned by the partner Audit and Risk Committees, where the outputs are considered relevant for assurance purposes to Angus IJB, for information.

1. RECOMMENDATION

The Audit Committee is asked to note the progress against the 2021/22 internal audit plan.

2. BACKGROUND

Audit work is planned so as to allow the Chief Internal Auditor to provide the necessary assurances prior to the signing of the accounts. In order to ensure a timely flow of assurance and provide audit work sufficient to allow the Chief Internal Auditor to provide his opinion on the adequacy and effectiveness of internal controls at year-end, we are committed to ensuring that internal audit assignments are reported to the target Audit Committee as noted in the proposed plan. The progress of each audit has been risk assessed and a RAG rating added showing an assessment of progress using the following definitions:

Risk Assessment		Definition
Green		On track or complete
Amber		In progress with minor delay
Red		Not on track (reason to be provided)

Resources to deliver the plan are provided by the NHS Tayside and Angus Council Internal Audit services.

Appendix 1 represents Internal Audit's progress report on the 2021/22 plan. An equivalent report will be produced routinely for all Audit Committee meetings.

3. CURRENT POSITION

Progress on the 2021/22 internal audit plan is as noted below:

- Audit planning (AN01/22) and Annual Internal Audit Report (2020/21) (AN03/22):
 - Complete
- Governance & Assurance (AN04/22):
 - In Progress
- Sustainability of Primary Care Services (AN05/22):
 - Fieldwork complete and at review stage. Report being drafted
- Commissioned Service Providers (AN06/22):
 - Fieldwork complete and draft report at review stage

In order that all parts of the system receive appropriate information on the adequacy and effectiveness of internal control within their purview, including controls operated by other bodies which impact on their control environment, an output sharing protocol was developed and approved by all partners' respective Audit and Risk Committees which covers the need to share internal audit outputs beyond the organisation that commissioned the work, in particular where the outputs are considered relevant for assurance purposes. The following reports are considered relevant and are summarised here for information:

- NHS Tayside reports:

Report No.	Report Description	Opinion	Key findings
T08/22	Internal Control Evaluation (ICE)	N/A	NHS Tayside has successfully managed shorter term operational risks, ensuring continuation of service delivery and good performance throughout the pandemic. The focus must now be on management of longer term risks, most importantly the Waiting Times risk, and development of overall Clinical Strategy. Completion of the 2020/21 ICE and Annual Report recommendations will be crucial to the organisation's long term success.
T29/22	Missing Clinical Psychology Case Records	Limited Assurance	<p>During the period December 2020 to April 2021, 78 Clinical Psychology Case Records were reported as missing. The Board Secretary / SIRO commissioned Internal Audit to undertake a review of the wider governance and risk implications of the missing records, the adequacy of the investigations undertaken and implementation of subsequent actions taken by NHS Tayside following identification of the missing records. Internal audit and management conducted further investigation, but the missing records have not been found.</p> <p>The Internal Audit review raised a number of serious concerns over the way in which the Local Adverse Event Reviews of the missing records had been conducted, and on the implementation of the resultant action plans.</p> <p>The full internal audit report was considered by Tayside NHS Board's Audit and Risk Committee in reserved business on 20 January</p>

			<p>2022. NHS Tayside has now agreed to undertake a Significant Adverse Event Review (SAER).</p> <p>The Audit and Risk Committee agreed that additional days should be allocated to allow Internal Audit to undertake further work to ensure the issues raised in the Internal Audit Report were progressed, and to provide assurance that the SAER was progressed in line with the correct organisational processes.</p>
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• Angus Council reports:

Report Description	Opinion	Key findings
Payroll Continuous Auditing (to Sept 21)	Comprehensive	Internal Audit carries out interrogation of Payroll and Accounts Payable (Creditors) information as part of the Continuous Auditing Programme. The data analysis software, CaseWare IDEA (Interactive Data Extraction Analysis) was used to analyse the data extracted from the Council's systems. Payroll looks at duplicate NI number, no NI number, duplicate bank accounts and high value payments. Regular testing on system log-in access that has never been used or has not been used within the last 21 days has now been added to the data analysis work.
Creditors Continuous Auditing (to Nov 21)	Substantial	<p>Continuous auditing on Creditors (Accounts Payable) covers two objectives: registration and authorisation of payments by the same person, and duplicate payments.</p> <p>Audit testing on creditors was extended to cover the period October to November 2021 for the first objective above. This did not identify any instances of the same person registering and authorising an invoice, apart from Payments staff who are checking the P2P payments to ensure these are working correctly before automation. As a result of the checking Integra shows that they have done both parts.</p> <p>Duplicate payments were tested for April 2021, with no issues identified. The remainder of the period has still to be tested for this objective.</p>

• Other Tayside IJB reports:

N/A

4. FINANCIAL IMPLICATIONS

There are no direct financial implications.

5. RISK

The internal audit planning process which produces the Annual Internal Audit Plan takes into the risk profile of the IJB. Individual internal audit assignments identify the

key risks at the planning stage and our work is designed to evaluate whether appropriate systems are in place and operating effectively to mitigate the risks identified. Legislative requirements are a core consideration in planning all internal audit reviews.

6. OTHER IMPLICATIONS (IF APPLICABLE)

N/A

7. EQUALITY IMPACT ASSESSMENT







An Equality Impact Assessment is not required.

All internal audit reviews which involve review of policies and procedures will examine the way in which equality and diversity is incorporated within documentation.

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List of Appendices: Appendix 1 – Internal Audit Progress Report

Appendix 1

Ref	Audit	Indicative Scope	Target Committee	Audit	RAG status	Planning stage	Work in Progress	Draft Issued	Complete	Grade
AN01-22	Audit Planning	Agreeing audit universe and preparation of strategic plan.	June 2021			✓	✓	✓	✓	N/A
AN02-22	Audit Management	Liaison with management, Pre-Audit Committee liaison with Chief Finance Officer and attendance at Audit Committee.	Ongoing			✓	✓			N/A
AN03-22	Annual Internal Audit Report (2020/21)	CIA's annual assurance statement to the IJB and review of governance self-assessment.	June 2021			✓	✓	✓	✓	N/A
AN04a-22 AN04b-22	Governance & Assurance	Support during review or update of the Integration Scheme. Attendance at Charging Group to provide ongoing advice on required improvements	Ongoing plus yearend report- /June 2022			✓ ✓	✓ ✓			
AN05-22	Sustainability of Primary Care Services	Review the controls established to manage Strategic Risk 01 - Sustainability of Primary Care Services. The scope will review selected controls to mitigate the risk.	December 2021 June 2022 ¹			✓	✓			
AN06-22	Commissioned Service Providers	Review the controls established to manage Strategic Risk 11 – Commissioned Service Provider failure: The scope will be to review selected controls to mitigate the risk.	December 2021 June 2022 ²			✓	✓			

¹ The scope of this audit has been extended and is now jointly commissioned by Angus IJB, NHS Tayside and P&K IJB. This revised scope, and the complexities of both the risk and its governance arrangements, have impacted on the date for completion.

² The audit was delayed due to the need to re-assign the work because of a conflict of interest, ongoing Angus Council IA staffing issues and as a review of service delivery. Initial fieldwork has completed and reviewed and issue of the draft report is imminent.