



ANGUS HEALTH AND SOCIAL CARE

INTEGRATION JOINT BOARD AUDIT COMMITTEE – 22 JUNE 2022

2021/22 and 2022/23 INTERNAL AUDIT PLANS – 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 as well as work in progress relating to 2022/23. 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 and work undertaken relating to 2022/23.




2. BACKGROUND

The Public Sector Internal Audit Standards (PSIAS) require that the Chief Internal Auditor (CIA) reports periodically to the Audit Committee on activity and performance relative to the approved annual plan. We have previously set out that Audit work is planned so as to allow the Chief Internal Auditor to provide the necessary assurances prior to the signing of the accounts.

Due to the slippage with the internal audit plan and given the size of the IJB annual audit plan there is a risk that there could be insufficient evidence for the CIA to provide their annual opinion on the IJB's internal controls. To mitigate this, the work Internal Audit undertakes in preparation for our year-end assurance work is in the main delivered through the governance assessment checklist. This provides robust assurance across all areas of governance and enables the CIA to conclude that internal audit has undertaken sufficient work to allow them to provide their formal opinion on the adequacy and effectiveness of internal controls.

Staffing issues have affected both Internal Audit services throughout the year, including redeployment, long term sickness absence and staff absence due to Covid19. The NHS Tayside team continues to be supplemented by staff based in the other FTF Client Health Boards and by temporary staff. Fieldwork on outstanding reports has been completed and all 2021/22 audits will be concluded over the summer months and reported to the August 2022 Audit Committee.

The progress of each audit has been risk assessed and a RAG rating added showing an assessment of Internal Audit 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 Service.

Appendix 1 represents Internal Audit's progress report on the 2021/22 Plan as well as the nondiscretionary elements of the 2022/23 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. Fieldwork on all assignments has been completed.

- Governance & Assurance (AN04/22):
 - Fieldwork complete
- Sustainability of Primary Care Services (AN05/22):
 - Fieldwork complete and draft report issued 19 May 2022
- Commissioned Service Providers (AN06/22):
 - Fieldwork complete and draft report at review stage

The 2022/23 Internal Audit Plan is presented for approval by members as a separate agenda item. Progress on the non-discretionary elements of the provisional plan is also incorporated in Appendix 1 below:

- Audit Planning (AN01/23)
 - Complete
- Annual Internal Audit Report (2021/22) (AN03/23):
 - Complete

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/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
T07/23	Annual Internal Audit Report	N/A	<p>1. Based on work undertaken throughout the year we have concluded that:</p> <ul style="list-style-type: none"> • The Board has adequate and effective internal controls in place; • The 2021/22 Internal Audit Plan has been delivered in line with Public Sector Internal Audit Standards. <p>2. In addition, we have not advised management of any concerns around the following:</p> <ul style="list-style-type: none"> • Consistency of the Governance Statement with information that we are aware of from our work; • The description of the processes adopted in reviewing the effectiveness of the system of internal control and how these are reflected; • The format and content of the Governance Statement in relation to the relevant guidance; • The disclosure of all relevant issues.

Angus Council reports:

Report Description	Opinion	Key findings
On-line Recruitment/New Start Process	Substantial Assurance	<p>Areas Identified for Improvement: <i>(Note this includes both strategic & operational issues)</i></p> <ul style="list-style-type: none"> • Formal training (in addition to updated eLearning) should be provided when the updated recruitment system is implemented. • Managers should be reminded of section 1.1.3 of the Recruitment and Selection Guidance for Managers, that it is their responsibility to ensure that interview panel members have completed the e-learning modules for Equalities & Diversity Essentials, Managing Equalities & Diversity and Successful Recruitment training. • The Post Exemptions Request List should be reviewed to ensure it is still valid. • Monitoring arrangements should be put in place to confirm online cases have been closed off timeously. • Performance indicators should be created in line with best practice with a time frame for their completion. • Managers should be notified, on the carousel and Yammer, of the guidance

		<p>which is currently available for the online recruitment process.</p> <ul style="list-style-type: none"> • The process of approving the filling of vacancies should be reviewed and Staffing should ensure that confirmation of all necessary authorisations (including from the Vacancy Approval Sub-Group/CLT) have been received before the information is updated on TalentLink. • Staffing should be reminded to complete the Appointee Checklist fully (or the spreadsheet planned to replace this.) • A simplified flowchart for the steps involved in the online recruitment process should be provided to managers. • IT should undertake a review of their processes for fulfilling requests relating to new starts and ensure that such requests are prioritised appropriately. • The Workforce Data Report content and timing should be reviewed and reporting to the Scrutiny & Audit Committee re-established.
Protection of Vulnerable Groups	Substantial Assurance	<p>Areas Identified for Improvement:</p> <ul style="list-style-type: none"> • The Policy on the Secure Handling, Use, Storage and Retention of Disclosure Information, Appendix 18b should be reviewed in light of the latest Disclosure Scotland (DS) - Code of Practice, in collaboration with the Team Leader – Information Governance, to ensure all policies are consistent and compliant with GDPR, corporate and DS guidance. All policies should be dated, and the author noted. • The policy should be reviewed regularly to ensure future updates of Disclosure Scotland guidance and other Council policies are reflected in service policies. • A review of the Staffing process to record PVG information should be completed with the consideration of utilising Resourcelink to record the PVG membership number in order for all employee details to be recorded in one place.

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.

REPORT AUTHOR: Mr A Gaskin, B.Sc., ACA., Chief Internal Auditor

E-mail details: tony.gaskin@nhs.scot

List of Appendices: Appendix 1 – Internal Audit Progress Report

Ref	Audit	Indicative Scope	Target Committee	Audit	RAG status Of Internal Audit Progress	Planning stage	Work in Progress	Draft Issued	Complete	Grade
2021/22										
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	Governance & Assurance	Support during review or update of the Integration Scheme.	Ongoing	plus report-		✓	✓	✓	✓	N/A
AN04b-22		Attendance at Charging Group to provide ongoing advice on required improvements	yearend /June 2022			✓	✓	✓	✓	N/A
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 August 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 August 2022 ²			✓	✓			

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2022/23										
AN01-23	Audit Planning	Agreeing audit universe and preparation of strategic IA plan.	June 2022			✓	✓	✓	✓	N/A
AN02-23	Audit Management	Liaison with management, Pre-Audit Committee liaison with Chief Finance Officer and attendance at Audit Committee.	Ongoing			✓	✓			
AN03-23	Annual Internal Audit Report (2021/22)	CIA's annual assurance statement to the IJB and review of governance self-assessment.	June 2022			✓	✓	✓	✓	N/A

¹ The complexities of both the risk and its governance arrangements have impacted on the date for completion. The report has been issued in draft on 19 May 2022. However, as the audit was jointly commissioned by Angus and Perth & Kinross IJBs and NHS Tayside the report and management responses will have to be agreed with a number of individuals across several organisations. The draft report at this stage is graded as providing limited assurance.

² Staffing issues both within the Angus Council IA service and within the service to be reviewed have impacted on completion of this audit. Further questions arose after the initial fieldwork was completed and have led to additional time taken to report our findings. The draft report at this stage is graded as providing limited assurance.