

ANGUS HEALTH AND SOCIAL CARE

INTEGRATION JOINT BOARD AUDIT COMMITTEE – 7 DECEMBER 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 the substantive completion of the 2021/22 Internal Audit Plan as well as work in progress relating to the 2022/23 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 substantive completion of 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.

The 2021/22 audit plan is now substantively complete, with the final report on Commissioned Service Providers and the draft final report on Primary Care as separate agenda items. Working with our partners in Angus Council, we are committed to ensuring that internal audit assignments are reported to the target Audit Committee and to this end; discussions have taken place between NHS and Council internal audit colleagues as well as the IJB Chief Finance Officer to plan the remainder of the 2022/23 internal audit assignments.

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 sets out progress on the 2021/22 Plan, as well as the 2022/23 Plan. An equivalent report will be produced routinely for all Audit Committee meetings.

3. CURRENT POSITION

Progress on the outstanding items from the 2021/22 Internal Audit Plan is as noted below:

- Sustainability of Primary Care Services (AN05/22):
 - Draft final report (see separate Agenda item)
- Commissioned Service Providers (AN06/22):
 - Final report (See separate Agenda item)

The 2022/23 Internal Audit Plan was agreed at the June 2022 meeting. Progress is incorporated in Appendix 1 below with following highlighted since the last Audit Committee:

- Audit Planning (AN01/23)
 - Complete
- Audit Management (AN02/23)
 - Ongoing
- 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. It should be noted that the respective Audit Committees of the commissioning bodies are responsible for scrutiny of implementation of actions.

NHS Tayside reports:

A summary of the findings of internal audit report T29/22 (Missing Clinical Psychology Case Records) was provided to the April 2022 Angus IJB Audit Committee, who requested that updates be provided. Work is currently underway on a follow up review. The report, to be issued over the coming weeks, will provide assurance on previous Internal Audit recommendations, the Information Commissioner's Office action plan and the Oversight Group. A separate report will be produced for the Significant Adverse Event Review process. Once finalised, a summary of the reports will also be provided to the Angus IJB Audit Committee.

Internal Audit report T31A/23 'Property Management Strategy- Audit Follow up' was issued on 10 November 2022 and concluded that Internal Audit are reasonably assured that sufficient action has been taken to address previous internal audit recommendations and the foundations are in place to achieve and maintain a robust system of governance, risk management and control for property and asset strategic management. However, it is too early to conclude on whether these internal controls will be effective in supporting the achievement of objectives. The focus of original and subsequent audits was not on Scottish Government requirements but on the need for a PAMS (Property & Asset Management Strategy), or document equivalent to a PAMS, that sets out NHS Tayside's approach to managing property to facilitate achievement of strategic aims and to mitigate key risks, such as the primary care risk. Whilst the necessary pre-cursors for production of a PAMS (or equivalent)/ RAMP (Regional Asset Management Plan) are in place, it is too early to tell if they will have the desired effect. As previously reported, there have been some delays in the process in this very important area and internal audit will continue to monitor progress through the Audit Follow Reports to the NHS Tayside Audit & Risk Committee.

The full report can be accessed under page 198 in the following link:

<https://www.nhstaysidecdn.scot.nhs.uk/NHSTaysideWeb>

Angus Council reports:

No applicable reports at this time

Other Tayside IJB reports:

No applicable reports at this time

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 account 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 November 2022			✓	✓	✓		Limited
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 November 2022			✓	✓	✓	✓	Limited

Ref	Audit	Indicative Scope	Target Committee	Audit	RAG status Of Internal Audit Progress	Planning stage	Work in Progress	Draft Issued	Complete	Grade
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
AN04-23	Workforce	Scope: coherent, co-ordinated, adequate and effective approach to managing significant workforce risks. Strategic & operational responses across the totality of the workforce, including contracted services and 3 rd sector	December 2022 April 2023 ¹			✓	✓			
AN05-23	Finance	Scope: Financial monitoring and reporting is complete, relevant, sufficient and reliable; Validation of Self Assessment against CIPFA Chief Financial Officer Checklist	April 2023			✓				

¹ The start of work on this audit was delayed pending the update of the strategic risk, feedback from Scottish Government on the workforce plan and completion of work on the NHS Tayside workforce audit. Fieldwork is now progressing well and we expect to issue the draft report in the coming weeks.