



**ANGUS HEALTH AND SOCIAL CARE**

**INTEGRATION JOINT BOARD AUDIT COMMITTEE – 7 DECEMBER 2022**

**INTERNAL AUDIT REPORT – COMMISSIONED SERVICES (AN06/22)**

**REPORT BY ALEXANDER BERRY, CHIEF FINANCE OFFICER**

**ABSTRACT**

To update Audit Committee members on the final output of the Internal Audit report regarding Commissioned Services.

**1. RECOMMENDATIONS**

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

- (i) Notes the findings of the final version of the Internal Audit into Commissioned Services.,
- (ii) Requests that the follow up actions as described in the “Management Responses” are monitored through the regular “Internal Audit- Follow Up” reports to the Audit Committee.

**2. BACKGROUND**

The 2021/22 Internal Audit plan included a review of Commissioned Services. The draft output of this Internal Audit was shared at the August 2022 Audit Committee. The final version was shared electronically with Audit Committee members on 13 September 2022. It was previously agreed the final version of the report would be formally shared with the Audit Committee again at the December 2022 Audit Committee meeting.

**3. CURRENT POSITION**

The final version of this report was signed off by managers and the IJB’s Internal Auditors in September 2022. Subsequently, the management responses have migrated from George Bowie (Head of Service) to Eunice MacLennan (Head of Service). Updates regarding progress with action will be reported separately through the Internal Audit Follow Up reports. Within the management team, progress will be supported by members of the IJB’s “Third Party Provider” group – the group that oversees various issues regarding our arrangements with third parties. (i.e. Commissioned Services).

This report does indicate that only limited assurance can be derived from the current control mechanisms. Resolution of the Action Points will, it is to be anticipated, increase assurance levels.

**4. PROPOSALS**

The Audit Committee are asked to note this report and to request that progress with follow up actions is reported to the Audit Committee.

**5. FINANCIAL IMPLICATIONS**

Observations and recommendations in the report are intended to improve the sustainability of Commissioned Services. While there are no direct financial implications of this report, the output will influence the management of c£45m of resources within the IJB.

It is reasonable to say that there are sustainability issues within Commissioned Services. Some of these are not unique to providers (e.g. workforce recruitment issues are prevalent throughout the IJB). Equally some Commissioned Service risks are linked to decisions the IJB makes (e.g. regarding the funding provided by the IJB to third parties).

**6. RISK**

Commissioned Service risks were inherent prior to the Internal Audit and the responses to the Action Points should improve risk management.

**7. OTHER IMPLICATIONS – REPORT DISTRIBUTION**

Reflecting previous discussions, assignment covering reports now set out the intended distribution of final Internal Audit reports. This does not affect the Audit Committee feedback.

Internal Audit Report Distribution – AN06/22 Commissioned Services

Distributed to	Purpose	By Whom / When
Angus Council Audit Leads	For information	Chief Finance Officer
Angus HSCP Executive Management Team	For consideration and development of improvement plan.	Chief Finance Officer – Oct. 2022
Angus HSCP Third Party Provider Meeting	For information.	Chief Finance Officer – Nov. 2022

**8. EQUALITY IMPACT ASSESSMENT**

An Equality Impact Assessment is not required.

**REPORT AUTHOR: Alexander Berry, Chief Finance Officer**  
**E-mail details: [tay.angushscp@nhs.scot](mailto:tay.angushscp@nhs.scot)**

**November 2022**

List of Appendices:

Appendix 1 – Internal Audit report AN06/22 Commissioned Services