



ANGUS HEALTH AND SOCIAL CARE

INTEGRATION JOINT BOARD AUDIT COMMITTEE – 21 JUNE 2023

INTERNAL AUDIT REPORTS - FOLLOW UP ACTIONS

REPORT BY ALEXANDER BERRY, CHIEF FINANCE OFFICER

ABSTRACT

The aim of this paper is to update the Integration Joint Board (IJB) Audit Committee regarding the IJB's progress with meeting the recommendations of Internal Audit reports.

1. RECOMMENDATIONS

It is recommended that the IJB 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 which contain recommendations for improvements. 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updates are provided by Lead Officers, collated in the period prior to an IJB Audit Committee Meeting and could be out of date by the day of the IJB Audit Committee Meeting.

A new status of actions was applied to the Governance Actions for the April Audit Committee, where it was agreed to implement this alternative status to the Internal Audit Follow Up Actions. The new status of actions is detailed 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.
Not Yet Started	Actions not yet started.
Complete (Highlighted Blue)	Action complete.
On track (Highlighted Green)	Action is progressing and on track to be completed.
In Progress with minor issues (Highlighted Amber)	Overdue actions.
Not on track with major issues (Highlighted Red)	Overdue actions.
Superseded	Action superseded or no longer relevant. Commentary will provide clarity.

Actions that are “complete” will be reported to one IJB Audit Committee. Some actions may eventually be superseded by other circumstances, recommendations or actions. Once noted as “Superseded”, actions will not be reported at further IJB Audit Committee Meetings.

- 2.2 Actions re report AN05/20 (Risk Management)

Progress with remaining action has been delayed due to staff absence. While governance reports continue to be shared further work is still to be progressed.
- 2.3 Actions re report AN06/20 (Data Quality)

Only one action (implementation of the Home Care Contract Monitoring System) now remains outstanding. It is anticipated that reports from providers’ electronic monitoring systems will be provided as part of the quarter 1 monitoring information.
- 2.4 Actions re report AN05/21 (Charging for Services)

As noted previously, only a series of headline actions are captured in this update. An action plan has now been developed and delivery of that plan will now be progressed.
- 2.5 Actions re 2020/21 Annual Internal Report

Only one action regarding strategic risks now remains outstanding. It is anticipated that following the annual internal audit review EMT will look to clarify how to progress this action in 2023/24.
- 2.6 Actions re 2021/22 Annual Internal Report

A number of these actions have now being completed but, as with issues noted above, there are overall capacity issues that have delayed progress with the remaining actions. However one of these actions (responding to the Civil Contingency Act through 2 work streams) is nearing completion and another (EMT to consider FTF Committee Assurance Principles) is expected to be completed by Summer 2023. There are also plans in place to prioritise the progression of the majority of the remaining actions.
- 2.7 Actions re report AN06/22 (Commissioned Services)

While a number of these actions have now missed their original deadline, good progress is generally being reported. It is to be expected that a number of these items will be completed over the coming months.
- 2.8 Actions re report AN05/22 (Sustainability of Primary Care Services)

This is a joint report with NHS Tayside, Angus IJB and P&K IJB. The recommendations from this report are being monitored through the NHS Audit Follow up system, which requires updates to be taken to the NHST Audit and Risk Committee. To avoid duplication the position reported to that Committee will be brought to the Angus IJB Audit Committee. Therefore the recommendations from this report have not been added to the follow up actions detailed in Appendix 1.

An update was taken to the NHST Audit and Risk Committee on Thursday 18th May 2023. Papers can be accessed [here](#) with the update given at Agenda Item number 7.7, page 5 and pages 11-15.
- 2.9 The IJB Audit Committee has previously indicated a willingness to intervene or lend support to assist / progress outstanding actions. At the moment, there are no recommended interventions asked of the IJB Audit Committee.
- 2.10 The IJB’s Audit Committee has previously indicated a willingness to call in issues for more detailed reporting if progress has not been evidenced or described. At the April Audit Committee it was agreed that actions within ANG46/22 regarding Information Governance be called in for the August 2023 Audit Committee if matters have not been satisfactorily resolved prior to that point.
- 2.11 The IJB Audit Committee should be aware that updates regarding the status of outstanding issues are generally sought directly from lead officers. At times, due to annual leave and capacity constraints, it can be challenging to get updates on all issues. In those instances, updates are provided by the Chief Finance Officer (and

noted with an “**”). The IJB now collates updates of progress with outstanding actions between IJB Audit Committee Meetings.

- 2.12 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. PROPOSALS

The IJB 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

Angus Integration Joint Board: Internal Audit Reports - Follow-up Action

Appendix 1

								Status at Audit Committees			
IJB Audit Report	Rec. Ref.	Recommendation	Priority	Management Response / Action	Action by	Due Date	Apr-23	Jun-23	Impact of Delay	June 2023 - Status - Comment	
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	Moderate (Note - This is a CFO assessment of this priority.)	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 - Action will remain on this list until the 2023/24 report has been issued.	Team Leaders (Procurement / Finance)	Originally Dec. 2018; Revised to Sept. 2022.	Overdue (Good Progress)	In Progress with minor issues	Weakened governance	Final inflation uplifts are being agreed at this time, full reconciliation should be completed by the end of June and a report submitted to TPP group on 25th July 2023.	
AN05/20 Risk Management	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)	In Progress with minor issues	Reduced ability to share position with other IJBs	Delayed due to sick leave. Governance reports continue to be shared via CCPG. Further work still to be progressed.	
AN06/20 Data Quality	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	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	In Progress with minor issues	Weakened information governance	Meetings have been held with Option 3 providers and progress has been made in establishing which systems they have / will be implementing. Reports from providers' electronic monitoring systems eg Planned - v - Actual information to be provided as part of the quarterly monitoring information for April to June 2023	
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; Revised to June 2023.	Overdue - approach to delivery of change has been subject to a re-set following changes within the working group	In Progress with minor issues	Weakened governance	The working group has taken stock of progress to date and agreed to make changes in approach, primarily to implement those changes which can be made now as a matter of priority whilst other more challenging work runs in parallel An action plan has now been developed and delivery to that action plan will now be the focus of the work. Team looking to make rapid progress on this given length of time this work has been ongoing.	
AN05/21	3	Progression of the agreed Improvement Plan		Originally March 2022; Revised to Dec.2022; Revised to October 2023.		Draft plan now prepared but needs timescales and resourcing confirmed				Weakened governance	Draft action/improvement plan agreed by Working Group on 13 March - covers most issues raised in the audit. The full "to be" process for future still requires further work but those actions which can be completed now will be.

Angus Integration Joint Board: Internal Audit Reports - Follow-up Action

Appendix 1 (continued)

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AN03/21 Annual Internal Audit Report 2020/21	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.	Overdue - Limited progress	Not on track with major issues	Weakened Governance	EMT are aware further work is required and this action has not been concluded and will reflect following the annual internal audit review with a view to clarifying the way forward in early 23/24
AN46/22 Annual Internal Audit Report 2021/22	2	As part of the continued development of the IJBs risk management arrangements especially in relation to comprehensive assurance processes over its strategic risks, including controls and actions operated and implemented by partner bodies, we would recommend consideration of relevant aspects of the FTF Committee Assurance principles.	Moderate	The IJB's Executive Management Team will consider the FTF Committee Assurance Principles at an upcoming meeting.	Chief Officer	Oct-22	Overdue - Limited progress	Not on track with major issues	Weakened Governance	*Work not commenced yet, consideration through EMT expected now by August 2023.
ANG46/22	4a	Following the assessment of compliance against the Civil Contingencies Act, we recommend the IJB formulate a work plan in order to clearly articulate their role and responsibilities, what they are required to do, with priorities, targets and a mechanism for reporting and escalation.	Moderate	The IJB plans to respond to the requirements of the CCA through 2 work streams.	HoS (JG)	Mar-23	Good Progress	In Progress with minor issues	N/A	This continues to progress towards completion. It has gone beyond the specified timescale of March 2023 but is nearing completion.
	4b			The first work stream regarding Business Continuity Planning is described in an integrated business continuity planning framework that has been developed and is being rolled out across all IJB service areas by December 2022.	HoS (JG)	Mar-23	Good Progress	In Progress with minor issues	N/A	This work has been delayed but a plan is now in place to prioritise the progression of this work.

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Appendix 1 (continued)

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ANG46/22	6a	The information Governance Strategy 2019/22 will now require to be reviewed, taking into account any impact of Covid19.	Moderate	Most of the elements of the strategy have been achieved at no cost to the IJB. One outstanding area remains the issue of interoperability of client data systems across health and social care which has been highlighted in a recent significant case review. The possible resource implications are currently being considered and will be the subject of a forthcoming report to the IJB (target December 2022).	AMD	Mar-23	Overdue - Limited progress	In Progress with minor issues	N/A	The AHSCP Information Governance Strategy 2019-2022 requires to be updated. This work is now being prioritised for progression.
	6b			The IJB intends to review progress with the Strategy during 2022/23 with an expectation that the majority of the actions will be complete thereby addressing the original risks identified. This review is scheduled to be completed by March 2023.	AMD	Mar-23	Overdue - Limited progress	In Progress with minor issues	N/A	The majority of actions within the strategy have been achieved with some comprehensive processes now in place. The interoperability of client data systems cannot be resolved at a local level. This is currently sitting with Scottish Government. Local workaround arrangements have been developed meantime. The updated Information Governance strategy will reflect these.
AN06/22 Commissioned Services	1a	It is recommended that the Business Continuity Plan (BCP) for each provider is in place and is fit for purpose at the review of tender stage before the contract is awarded.	Significant	The IJB (Commissioning Service) will work with Procurement to ensure that during tendering process, providers are qualitatively evaluated by the Commissioning Service regarding BCPs.	HoS and Proc & Comm Manager	Oct-22	Good Progress	In Progress with minor issues	Weakened Commissioning	Procurement are leading on this work, recent updates advise that this is now included within the tendering process.
	1b	The currency and quality of all provider BCPs should be reviewed as part of ongoing contract monitoring. This should be included as part of the agenda of contract monitoring meetings. Provider BCPs should be specifically identified as a key control in the Commissioned Service provider Failure risk.		As part of contract monitoring, Commissioning Services will work with Procurement to cyclically (annually) review all Provider's BCPs (Commissioning Service) to ensure those BCPs remain appropriate and to record that review (Procurement).	HoS and Proc & Comm Manager	Mar-23	Good Progress	In Progress with minor issues	N/A	Procurement have advised that this is being progressed.
AN06/22	2	It is recommended that AHSCP produce BCP that covers Commissioned Services and that this is reviewed and updated regularly.	Significant	The IJB recognise the need for BCPs for Commissioned Services. The IJB will develop BCPs for a range of generic instances including failure of Home Care providers, Care Home providers and other independent and voluntary sector providers and reflecting various scales of failure.	HoS	Mar-23	Good Progress	In Progress with minor issues	N/A	First draft of Care Home and Care at Home BCP's complete and currently being reviewed by members of Third Party Group. Some changes are to be made to the BCP template for AHSCP to ensure it is concise and easy to follow.
AN06/22	3	To provide assurance on the effectiveness of the actions taken to support recruitment, relevant KPIs derived from workforce performance and other data should be monitored regularly in order to provide assurance on controls. This principle should be extended so that the performance of the controls can be measured against agreed parameters which indicate the sustainability of a provider early risk warnings. Data available should be monitored and reported regularly to provide clear information on how controls are performing.	Significant	The IJB will develop KPIs from available workforce information to demonstrate commissioned service recruitment status as an indicator of sustainability. The IJB will develop KPIs, with parameters, within an overall monitoring framework describing the sustainability of providers. This will be undertaken for Care Home providers initially and reflect factors such as workforce, occupancy and care indicators. The monitoring framework will be overseen by a nominated group (TBC).	HoS	Mar-23	Good Progress	In Progress with minor issues	N/A	The dashboard format and the information being captured has been agreed. The Performance team within the I&D Service are leading on this. Data sources are being identified and data is being populated on to the dashboard. A launch date of 1st July 2023 has been agreed.

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Appendix 1 (continued)

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							Apr-23	Jun-23	Impact of Delay	
AN06/22	4	<p>There are a large number of fora and working groups involved in commissioned service providers. The purpose of each group and the role each group plays in controlling the overall strategic risk should be clearly identified and recorded to ensure that there is no omission or unnecessary duplication.</p> <p>The overall contribution of these groups should be recorded as controls as part of the next update to the risk.</p>	Moderate	<p>The IJB will review the role of all groups linked to Commissioned Services and document the outcomes.</p> <p>Relevant contributions of groups to Risk Management will be documented in the controls section of a future Clinical, Care & Professional Governance Group (CCPG) risk update.</p>	HoS	Mar-23	Good Progress	In Progress with minor issues	N/A	Work is underway reviewing the purpose and membership of meeting groups to ensure they are efficient and effective. A review of the Terms of Reference for groups who hold a budget is also planned.