

Agenda Item

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Title / Subject: Internal Audit Progress Report
Meeting: Integration Joint Board Audit Committee
Date: 16 December 2019
Submitted By: Internal Audit Manager
Action: For Noting

1. INTRODUCTION

- 1.1. This report provides an update on progress with completing the 2018/19 and 2019/20 Internal Audit Plans.

2. RECOMMENDATIONS

- 2.1 It is recommended that the Audit Committee:

- (1) notes progress being made with completing the 2018/19 and 2019/20 Internal Audit Plans.

3. Progress with Completing 2018/19 and 2019/20 Internal Audit Plans

- 3.1. Responsibility for leading on the provision of Internal Audit services to Falkirk IJB rotates on a three yearly cycle.
- 3.2. From 01 April 2019 Falkirk Council's Internal Audit Manager took over that role for Falkirk IJB. Prior to that, the provision of Internal Audit services was led by the Chief Internal Auditor of NHS Fife, Tayside, and Forth Valley NHS Internal Audit consortium.
- 3.3. The 2018/19 Internal Audit Plan was presented to Audit Committee on 25 June 2018. It comprised the following reviews:
- Workforce Planning;
 - Assurance Framework; and
 - Performance Management.
- 3.4. At the Audit Committee meeting of 28 March 2019, the then Chief Internal Auditor advised that, in agreement with management, the review of Workforce Planning would be deferred due to significant changes in that area. Work in this area will now be considered within the context of future risk based Internal Audit Plans.

- 3.5. Work on the Assurance Framework and Performance Management reviews commenced towards the end of 2018/19, and both are now substantively complete. Draft reports have been issued, and the outcomes from these reviews will be presented to the next meeting of Audit Committee once the reports have been finalised.
- 3.6. The 2019/20 Internal Audit Plan was presented to Audit Committee on 27 June 2019, and comprised reviews of:
- Medium Term Financial Planning; and
 - Carers (Scotland) Act 2016 and Participation and Engagement Strategy Arrangements.
- 3.7. Work on Medium Term Financial Planning will be undertaken in January / February 2020.
- 3.8. The review of Carers (Scotland) Act 2016 and Participation and Engagement Strategy Arrangements is complete, and the final report has been agreed with management. The Scope and Executive Summary of this report is included in Appendix 1.
- 3.9. For 2019/20 (and all future) Internal Audit work our overall assurance on each area reviewed will be provided in line with the definitions set out at Appendix 2. In relation to the review of Carers (Scotland) Act 2016 and Participation and Engagement Strategy Arrangements we were able to provide Substantial Assurance.

4. CONCLUSIONS

- 4.1 The 2018/19 Internal Audit Plan is now substantively complete, and outcomes from the two assignments undertaken will be reported to the next meeting of Audit Committee.
- 4.2 Good progress is being made with 2019/20 Internal Audit work. This will contribute to a balanced and evidenced based year end opinion on arrangements for risk management, governance, and control.

Resource Implications

There are no resource implications arising from the recommendations in this report.

Impact on IJB Outcomes and Priorities

Effective governance, including risk management and internal control, will be necessary to deliver the outcomes and priorities of the IJB.

Legal & Risk Implications

The role of Internal Audit is to provide Audit Committee with assurance on the IJB's arrangements for risk management, governance, and control. Recommendations

made by Internal Audit aim to reduce or mitigate risk to which the IJB may be exposed.

Consultation

All Internal Audit reports are circulated in draft and reviewed by management prior to final publication.

Equalities Assessment

No equalities issues arise from the recommendations of this report.

Gordon O'Connor, Internal Audit Manager

Date: 05 December 2019

APPENDICES

- Appendix 1: Summary of Findings Arising from 2019/20 Internal Audit Work.
- Appendix 2: Definition of Internal Audit Assurance Categories.

List of Background Papers:

The following papers were relied on in the preparation of this report in terms of the Local Government (Scotland) Act 1973:

- None.

Summary of Findings Arising from 2019/20 Internal Audit Work

Internal Audit Plan	Assignment	Assurance
2019/20	Carers (Scotland) Act 2016 and Participation and Engagement Strategy Arrangements	Substantial Assurance
Scope	Final Report Executive Summary	
<p>Internal Audit reviewed:</p> <ul style="list-style-type: none"> progress with the implementation of the requirements of the Carers (Scotland) Act 2016. Including the Local Carer Strategy, Adult Carer Support Plans, information and advice services for carers, and the provision of a short breaks service; progress with implementing the Participation and Engagement Strategy; and arrangements for identifying and addressing the concerns of service users, patients, and unpaid carers. 	<p>The Strategic Plan has prioritised support for carers as a key issue, and work performed in the Partnership is broadly consistent with the requirements of the Carers (Scotland) Act 2016.</p> <p>The Partnership recognises the importance of participation and engagement across all partners and stakeholders, and this is detailed in a Participation and Engagement Strategy. An IJB Complaints Handling Procedure is also in place to address concerns Partnership stakeholders may have.</p> <p>The role of the IJB includes obtaining assurance that implementation of requirements are being adequately and properly progressed across the Partnership. We were able to provide Substantial Assurance in relation to the provision of assurance with regard to the implementation of the requirements of the Carers (Scotland) Act 2016 and the Participation and Engagement Strategy. There was scope, however, for more frequent reporting to the IJB to assist its scrutiny and challenge.</p> <p>In relation to the Carers (Scotland) Act 2016 there should be:</p> <ul style="list-style-type: none"> Monitoring and reporting of Falkirk Carers' Strategy Action Plan progress, as well as linking in the reporting of the Strategic Plan Action Plan for Priority 2 (Ensuring carers are supported in their caring role); Development of the Falkirk Carers' Strategy Action Plan to include more specific and timely actions and timescales; Further assurance sought from NHS Forth Valley to implement Section 28 hospital discharge requirements; and Regular system (Liquidlogic and TrakCare) development and implementation progress updates provided to the IJB until partner systems are fully embedded, with carers' data monitoring and reporting arrangements clarified. <p>IJB assurance should be increased in relation to participation and engagement activities undertaken, with stakeholders' concerns feedback provided where necessary. There should be:</p> <ul style="list-style-type: none"> Arrangements put in place for reporting participation and engagement as part of the Stronger Communities Steering Group, and also maintaining a log of activities which should be mapped against key strategic objectives and priorities; and Review of the Partnership's Participation and Engagement Strategy, to include how progress with meeting its commitments is monitored, managed, scrutinised, and reported. This includes the provision of feedback where necessary. <p>Finally, our review of the IJB Complaints Handling Procedure highlighted that it needs to better demonstrate how complaints have led to improvements being made.</p>	

Definition of Internal Audit Assurance Categories

Level of Assurance	Definition
Substantial assurance	Largely satisfactory risk, control, and governance systems are in place. There is, however, some scope for improvement as current arrangements could undermine the achievement of objectives or leave them vulnerable to error or abuse.
Limited assurance	Risk, control, and governance systems have some satisfactory aspects. There are, however, some significant weaknesses likely to undermine the achievement of objectives and leave them vulnerable to an unacceptable risk of error or abuse.
No assurance	The systems for risk, control, and governance are ineffectively designed and operated. Objectives are not being achieved and the risk of serious error or abuse is unacceptable. Significant improvements are required.