

Meeting of South Ayrshire Health and Social Care Partnership	Performance & Audit Committee
Held on	26 June 2023
Agenda Item:	
Title:	Proposed Integration Joint Board (IJB) Internal Audit Plan 2023/24
Summary:	
<p>The purpose of this report is to submit, for Audit & Performance Committee approval, the proposed IJB internal audit plan for 2023/24</p>	
Author:	Cecilia McGhee, Chief Internal Auditor
Recommendations:	
<p>It is recommended that the Performance & Audit Committee approves the IJB internal audit plan for 2023/24</p>	
Route to meeting:	
Implications:	
Financial	<input type="checkbox"/>
HR	<input type="checkbox"/>
Legal	<input type="checkbox"/>
Equalities	<input type="checkbox"/>
Sustainability	<input type="checkbox"/>
Policy	<input type="checkbox"/>
ICT	<input type="checkbox"/>

PROPOSED INTEGRATION JOINT BOARD INTERNAL AUDIT PLAN 2023/24

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to submit, for Audit & Performance Committee approval, the proposed Integration Joint Board (IJB) Internal Audit Plan for 2023/24.

2. RECOMMENDATION

2.1 It is recommended that the Performance & Audit Committee:

i. approves the IJB internal audit plan for 2023/24.

3. BACKGROUND INFORMATION

- 3.1 The Public Bodies (Joint Working) (Scotland) Act 2014 requires that the IJB is subject to the audit and accounts regulations and legislation under Section 106 of the Local Government (Scotland) Act 1973.
- 3.2 The national Integrated Resources Advisory Group (IRAG) guidance requires the IJB to establish adequate and proportionate internal audit arrangements for risk management, governance and control of the delegated resources. At its meeting of 28 October 2015, the IJB appointed the Chief Internal Auditor of South Ayrshire Council as the Chief Internal Auditor of the South Ayrshire IJB.
- 3.3 Operational delivery of services within NHS Ayrshire & Arran Health Board (NHSAAA) and the Council on behalf of the IJB will be covered by their respective internal audit arrangements.
- 3.4 Internal Audit operates in accordance with the Internal Audit Charter, which is in compliance with the Public Sector Internal Audit Standards (PSIAS). The updated Charter was approved by the Council's Audit and Governance Panel on 22 March 2023. A separate Charter is not deemed necessary for the IJB.

4. GOVERNANCE

- 4.1 The IJB is responsible for establishing and maintaining appropriate risk management processes, control systems, accounting records and governance arrangements. The internal audit plan forms one element of the IJB's review of the effectiveness of the systems of internal control. The IJB's response to internal audit activity should lead to the strengthening of the control environment and therefore contribute to the achievement of the IJB's objectives.
- 4.2 The complete internal audit plans of both South Ayrshire Council (SAC) and NHS Ayrshire and Arran (NHSAAA) continue to be approved by their respective audit committees including an allocation for IJB work. The detail of that IJB

work is then presented in the separate IJB internal audit plan for review and approval by the Performance and Audit Committee on behalf of the IJB. Significant elements of the wider audit plans of both SAC and NHSAAA will also be of interest to the IJB. This will include not only health and social care delivery but core financial systems such as payroll and creditors which support the delivery of health and social care activities.

- 4.3 It should be noted that the Chief Internal Auditor of the IJB has no responsibility for the internal audit service of NHSAAA or for providing assurance to NHSAAA.

5. RESOURCES

- 5.1 The risk-based plan must explain how Internal Audit's resource requirements have been assessed. No formula exists that can be applied to determine internal audit coverage needs. As a guide, the minimum level of coverage is that required to give an annual evidence-based opinion.
- 5.2 The Chief Internal Auditor is required to advise the Committee should resourcing levels impact adversely on the provision of the annual Internal Audit opinion. It is not anticipated that this situation would arise however in such circumstances the Chief Officer and the Chief Finance Officer will be immediately advised, with arrangements made to report to the IJB as appropriate. The audit plan is prepared on a risk-based approach in order to prioritise higher risk items within the plan.

6. INTERNAL AUDIT PLAN 2023/24

- 6.1 PSIAS sets out a number of obligations, including the requirement for the Chief Internal Auditor to establish a risk-based plan to determine the priorities of the internal audit activity, consistent with the organisation's goals. The Chief Internal Auditor must communicate the internal audit plans and resource requirements, including significant interim changes, to senior management and the IJB as appropriate for review and approval.
- 6.2 The proposed IJB Internal Audit Plan for 2023/24 is included at [Appendix 1](#) and is compiled with the objective of giving an evidence-based opinion for the IJB at the end of the financial year. The plan has been prepared by the IJB Chief Internal Auditor in consultation with the IJB Chief Officer.
- 6.3 The SAC Annual Internal Audit Plan includes an allocation of time to undertake work for the IJB. The SAC Internal Audit Plan for 2023/24 was approved by the Council's Audit and Governance Panel on 22 March 2023 and includes the allocation of 25 days for IJB commitments which is consistent with prior year audit allocations. The complete 2023/24 internal audit plan for the Council is available for information at [Appendix 2](#).
- 6.4 Internal audit service for NHSAAA will be delivered by Azets and the NHSAAA Internal Audit Plan also includes an allocation of time to undertake work for the

IJB. The complete NHSAAA internal audit plan for 2023/24 is at [Appendix 3](#). Assignment C.1 Delayed Discharges is of specific relevance to the IJB.

- 6.5 The PSIAS requires that the Chief Internal Auditor continually reviews and adjusts the plan in accordance with changes to the organisation's business, risks, operations, programs, systems and controls. Any material variations to the proposed audit plan will be brought back to the Committee for approval.

7. REPORTING

- 7.1 IRAG guidance states that the IJB internal audit plan is shared with the relevant committees of the Health Board and Local Authority. Accordingly, the agreed IJB Financial Regulations recommend the IJB audit plan is shared with the relevant committees of NHSAAA and the Council.

- 7.2 The IJB Financial Regulations require the IJB Chief Internal Auditor to submit an annual audit report of the Internal Audit function to the Chief Officer and the Integration Joint Board indicating the extent of audit cover achieved and providing a summary of audit activity during the year. As a minimum the annual audit report and Chief Internal Auditor's opinion will also be reported to the NHSAAA Audit Committee and the Council's Audit and Governance Panel.

8. STRATEGIC CONTEXT

- 8.1 The proposals contained in this report link to the Integration Joint Board Strategic Plan 2021-2031 strategic objective number six, "We are transparent and listen to you".

9. IMPLICATIONS

9.1 Financial Implications

- 9.1.1 There are no financial implications arising from this report.

9.2 Human Resource Implications

- 9.2.1 There are no Human Resources' implications arising from this report.

9.3 Legal Implications

- 9.3.1 There are no legal implications arising from this report.

9.4 Equalities implications

- 9.4.1 There are no equality implications arising from this report.

9.5 Sustainability implications

- 9.5.1 There are no sustainability implications arising from this report.

9.6 Clinical/professional assessment

- 9.6.1 There are no clinical/professional assessments required for this report.

10. CONSULTATION AND PARTNERSHIP WORKING

10.1 There has been no public consultation on this report.

10.2 There has been no partnership working involved in the preparation of this report.

11. RISK ASSESSMENT

11.1. There are no risks arising from this report.

REPORT AUTHOR AND PERSON TO CONTACT

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BACKGROUND PAPERS

[Public Sector Internal Audit Standards](#)

[Internal Audit Charter 2023](#)

16 June 2023

Proposed IJB Internal Audit Plan 2023/24

Appendix 1

Job Ref	Internal Audit Assignment	Internal Audit Resource	Indicative days
A	Workforce Planning	South Ayrshire Council	15
B	Performance Monitoring Follow Up	South Ayrshire Council	5
C	Support to the Integration Joint Board and Performance and Audit Committee	South Ayrshire Council	5
		Total audit days	25

SOUTH AYRSHIRE COUNCIL INTERNAL AUDIT PLAN 2023/24

No	Audit Area	Objectives	Link to Council Plan	Link To Strategic Risk Register (as at 16/2/23)	Estimated Days	Total Estimated Days
Key Corporate Systems						
1	Main Accounts	Review of updated procedures following implementation of Oracle Fusion	Best Value	11	20	
2	HR & Payroll	Review of updated procedures following implementation of Oracle Fusion	Live, Work Learn/Best Value	11	20	
3	Organisational Development	Workforce Planning	Live, Work Learn/Best Value	13	20	60
Governance/Best Value						
4	NFI	Co-ordination and Monitoring of 2022/23 Exercise and review of matches where required.	Best Value	4	15	
5	Following the Public Pound	Ayrshire Growth Deal - Follow Up of actions from 2022/23 Assignment and review (scope to be agreed following completion of 2022/23 audit work)	Best Value	1	25	
6	Procurement	Review of "Off Contract" Spend	Best Value	4	20	
7	Participatory Budgets	Review arrangements in place to meet the National targets for participatory budgeting	Civic and Community Pride/ Best Value	1/11	15	
8	Records Management	Review compliance with the Scottish Council on Archives Records Retention Schedule (SCARRS)/Councils records management procedures.	Equalities and the Fairer Scotland Duty	4	20	95
ICT Auditing						

9	Social Media Accounts	Review controls in place around; access to and use of Council Social Media Channels	Equalities and the Fairer Scotland Duty	14	15	15
Directorates						
10	Housing, Operations and Development	Review of Waste Management procedures	Spaces and Places	15	25	
11	Housing, Operations and Development	Anti-Fraud Review - Housing Let	Live, Work, Learn	4	15	
12	Education	Attainment Scotland Fund (ASF)	The Promise,/Live Work Learn	9	20	
13	HSCP	External Providers	The Promise, Our Ageing Population	6	10	
14	HSCP	Premises	The Promise, Our Ageing Population	6	10	
15	Change and Communities	Follow up of Actions from 2022/23 Audit Assignment and review of annual Climate Change Duty Compliance return for 2022/23	Sustainability, climate change and biodiversity	8	10	
16	Change and Communities	Review of Cash Collection arrangements in Leisure Facilities	Spaces and Places	4	10	100
Regularity						
17	Continuous Auditing	Accounts Payable and developments in other areas including Payroll and Debtors (including Housing Rent Debtors)	Best Value	4	40	
18	Grants	Ayrshire Rural and Island Ambition Fund (ARIA)	Live, Work, Learn	4	10	
19	Grants	Network Support Grant claim	Spaces and Places/Live, Work Learn	9	5	

20	Schools	Internal Control Self Assessment Toolkit - Initial Rollout and Management of the Annual Process	Live Work Learn/The Promise	4	10	
21	Social Work Locations	Internal Control Self Assessment Toolkit - Management of the Annual Process	The Promise/Our Ageing Population	4	7	72
Follow Up Reviews						
22	Regularity	Follow Up of actions from 2021/22 Audit Assignment - Museum Stores	-	5	4	
23	Main accounting	Follow up of Actions from 2020/21 Audit Assignment - Main Accounting Review	-	5/11	3	
24	ICT Auditing	Follow up of Actions from 2022/23 Audit Assignment - Systems Access Controls	-	5/14	10	
25	Directorate	Follow up of Actions from 2022/23 Audit Assignment - Void repairs	-	5/15	3	
26	Directorate	Follow up of Actions from 2022/23 Audit Assignment - Fostering and Adoption	-	5/6	3	
27	Main Accounting	Follow up of Actions from 2022/23 Audit Assignment - NDR Relief Review	-	5/4	3	
28	Directorate	Follow up of Actions from 2022/23 Audit Assignment - Implementation of Care Inspectorate/Scottish Government Improvement Plans	-	5/6	3	
29	Governance and Best Value	Follow up of Actions from 2022/23 Audit Assignment - arrangements in place around the use of HubSW	-	5/11	4	
30	Contingency	Follow up of Actions from 2022/23 Audit Assignment - Golf Club House Income Controls	-	5/4	5	38
Other Entities						
	AVJB	To be approved by AVJB	-	-	25	
	IJB	To be approved by IJB	-	-	25	50
Other						
	Investigations	Allowance for investigations of irregularities.	-	4	20	
	Advice and Guidance	Client requests, advice and consultancy - including participation on working groups	-	-	5	

	Advice and Guidance (Service Reviews/ Redesign)	Allocation of time to allow Internal Audit to respond to requests from services to provide advice & guidance or to review updated/changes to procedures following Service redesigns, or implementation of new processes or ICT Systems	-	3	30	
	Contingency	Contingency budget for unplanned commitments arising during the year	-	-	15	
	Closure of prior year assignments	Allowance of time for the closure of prior year audit work into 2022/23	-	-	50	
	Management and Audit development	Internal Audit planning, annual reporting, and quarterly reporting and Chief Internal Auditor Review of assignments	-	-	50	
	QAIP	Annual self-assessment of compliance with PSIAS	-	-	10	180
TOTAL						610

NHS Ayrshire & Arran IA Plan 2023/24

Audit area	Outline scope	Planned ARC meeting
A.1 Performance Monitoring	We will consider the extent to which NHSA&A has developed and implemented robust performance monitoring arrangements to ensure that performance against key corporate performance measures, and Covid-19 recovery plans and targets are subject to appropriate scrutiny and monitoring on a timely basis. This will include review of governance structures to ensure that duplication of effort is minimised.	Mar 2024
B.1 Financial Management and Reporting	To review arrangements for ensuring that a robust financial management and reporting framework is in place to allow NHSA&A to demonstrate the effective and efficient use of financial resources. In particular we will consider the use of appropriate budgeting and forecast models to mitigate against economic uncertainty arising from inflationary pressures, supply chain issues, and ongoing discussions on staff pay awards. This will include a focus on CRES implementation.	Mar 2024
B.2 Capital Procurement and Contracting of National Secure Adolescent Inpatient Service (NSAIS)	To review overarching governance and project managements arrangements over procurement and contracting related to the NSAIS project. Our review will also consider progress by management in implementing actions identified from the prior NHS Assure review.	Sep 2023
C.1 Delayed Discharges	End to end review of arrangements for managing delayed discharges, working with IJB Internal Audit teams. We will also review effectiveness of performance management systems and availability of data to support the process. We propose to work with IJB colleagues to facilitate a cross-system approach to the audit.	Dec 2023
C.5 Infection Prevention and Control	To review arrangements for ensuring that Infection Control measures are consistently understood and applied across Acute sites. We will consider the extent to which: 1) staff receive training aligned to Infection Control policies;	Mar 2024

	<p>2) there are clear and consistent processes for monitoring and reporting of compliance with policies;</p> <p>3) identified breaches are reported to an appropriate governance group; and</p> <p>4) remedial action is taken where appropriate to minimise the likelihood of sustained non-compliance</p>	
C.6 Waiting List Management	To provide assurance that waiting lists are being effectively and accurately maintained to support achievement of Treatment Time Guarantees as required by Scottish Government. Areas of focus to be agreed on an annual basis to consider prioritisation of cases and monitoring of backlog and performance. This may cover areas such as ensuring the consistent application of policies / processes, quality of data used, oversight over performance and implementation of new initiatives.	Dec 2023
D.1 Staff Rostering	To confirm whether consistent and effective staff planning rules are in place; that unsafe working patterns are identified, appropriately reported and managed; and that clinical risk is minimised through the use of suitably skilled staff.	Dec 2023
E.4 Digital Strategy	An initial, advisory review of Digital Strategy, including best practice recommendations to support development/implementation of the strategy.	May 2024
F.1 Property Transaction Monitoring	Review of property transactions as required by the Scottish Government Property Transaction Handbook	June 2023

