

REPORT TO: PERFORMANCE & AUDIT COMMITTEE – 24 MAY 2023

**REPORT ON: DUNDEE INTEGRATION JOINT BOARD INTERNAL AUDIT PLAN
PROGRESS REPORT**

REPORT BY: CHIEF FINANCE OFFICER

REPORT NO: PAC13-2023

1.0 PURPOSE OF REPORT

1.1 This paper provides the Performance and Audit Committee (PAC) with an update on the completion of the previous years' internal audit plans as well as progress against the 2022/23 plan and work relating to 2023/24. 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 Dundee IJB.

2.0 RECOMMENDATIONS

It is recommended that the Performance & Audit Committee (PAC):

2.1 Notes the completion of the 2021/22 Internal Audit Plan and work undertaken relating to 2022/23 and the commencement of the 2023/24 plan.




3.0 FINANCIAL IMPLICATIONS

3.1 None.

4.0 MAIN TEXT

4.1 The Public Sector Internal Audit Standards (PSIAS) require that the Chief Internal Auditor (CIA) reports periodically to the Audit Committee (the PAC in the case of Dundee City IJB) 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.

4.2 There is one outstanding audit from previous years which has yet to be finalised which relates to the Financial Viability of External Providers. This will be available for the September meeting of the PAC. Working with our partners in Dundee City Council, we are committed to ensuring that internal audit assignments are reported to the target Performance & Audit Committee and work is underway to complete the outstanding 2022/23 reviews. While the 2023/24 Annual Internal Audit plan is due to be presented for approval at the next Performance & Audit Committee meeting, progress on non-discretionary elements of the provisional plan is also incorporated in Appendix 1 below. Following a suggestion at the September 2021 PAC (Article VIII of the minute of meeting of this Committee of 29th September 2021 refers) the progress of each audit has been risk assessed and a RAG rating added showing an assessment of 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)

4.3 An update on the progress of all the IJB's Internal Audits is shown in Appendix 1. Resources to deliver these audits are provided by NHS Tayside and Dundee City Council Internal Audit Services.

4.4 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 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 and Risk Committees of the commissioning bodies are responsible for scrutiny of implementation of actions.

NHS Tayside reports:

Report	Opinion	Key findings
T23/23 Workforce Planning	Limited	<p>The audit identified that the current NHS Tayside Workforce Plan and associated action only sets out the currently employed workforce, with some associated data which were not analysed in sufficient depth beyond the broad implication for the Workforce and the service that will be required to be delivered. Significantly, it does not set out the workforce which will be required in future, nor an effective series of actions to deliver that workforce.</p> <p>The full report can be accessed under page 90 in the following link:</p> <p>https://www.nhstaysidecdn.scot.nhs.uk/NHSTaysideWeb/idcplg?IdcService=GET_SECURE_FILE&dDocName=PROD_362186&Rendition=web&RevisionSelectionMethod=LatestReleased&noSaveAs=1</p>
T08/23 ICE	N/A	<p>The Internal Control Evaluation (ICE) is undertaken each year to provide assurance on the overall systems of internal control that support the achievement of the Board's objectives. This review provides early warning of any significant issues that may affect the Governance Statement. This final report contains 11 recommendations, intended to embed good governance principles and to ensure coherence between Governance Structures, Performance Management, Risk Management and Assurance. NHS Tayside has successfully managed shorter term operational risks, ensuring continuation of service delivery and good performance throughout the pandemic. The focus must now be on management</p>

		<p>of longer term risks, most importantly the Waiting Times risk, and development of overall Strategy. The report highlights the worsening external environment and, as previously, the importance of an achievable strategy accompanied by realistic objectives and robust prioritisation.</p> <p>The full report can be accessed under page 40 in the following link:</p> <p>https://www.nhstaysidecdn.scot.nhs.uk/NHSTaysideWeb/idcplg?IdcService=GET_SECURE_FILE&dDocName=PROD_365449&Rendition=web&RevisionSelectionMethod=LatestReleased&noSaveAs=1</p>
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Dundee City Council reports:

Report	Final Issued	report	Opinion	Key findings
N/A				

Other Tayside IJB reports:

Report	Final Issued	report	Opinion	Key findings
N/A				

5.0 POLICY IMPLICATIONS

5.1 This report has been subject to the Pre-11A Screening Tool and does not make any recommendations for change to strategy, policy, procedures, services or funding and so has not been subject to an Integrated Impact Assessment. An appropriate senior manager has reviewed and agreed with this assessment.

6.0 RISK ASSESSMENT

6.1 This report has not been subject to a risk assessment as it a status update and does not require any policy or financial decisions at this time.

7.0 CONSULTATIONS

7.1 The Chief Finance Officer, Regional Audit Manager, Chief Internal Auditor and the Clerk were consulted in the preparation of this report.



8.0 BACKGROUND PAPERS






8.1 None.


Dave Berry
Chief Finance Officer

Date: 28/04/23

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Outstanding								
Ref	Audit	Indicative Scope	Target Audit Committee & current RAG status	Planning Commenced	Work in Progress	Draft Report	Completed	Grade
D06-21	Audit Follow Up/ Governance Action plan	Joint exercise between Internal Audit and management to review & update and consolidate actions arising from all sources of previous recommendations as well as reprioritising using a RAG status.	Complete  See separate agenda item	✓	✓	✓	✓	N/A
D05-22	Viability of External Providers	Review the controls established to manage Strategic Risk HSCP00d1. A review of the IJB's approach to continually assess the viability of its contracted social care providers as essential partners in delivering health and social care services and the priorities set out in the IJB's Strategic and Commissioning Plan. The review will consider the steps taken to engage with providers around the IJB's strategic direction and how the IJB provides ongoing support to them, including the process invoked should there be concerns over financial or operational sustainability.	February 2023 September 2023 	✓	✓	✓		


2022/23:								
Ref	Audit	Indicative Scope	Target Audit & current RAG status	Planning Commenced	Work in Progress	Draft Report	Completed	Grade
D01-23	Audit Planning	Agreeing audit universe and preparation of strategic plan	Complete 	✓	✓	✓	✓	N/A
D02-23	Audit Management	Liaison with management and attendance at Audit Committee	Complete 	✓	✓	✓	✓	N/A
D03-23	Annual Internal Audit Report (2021/22)	CIA's annual assurance statement to the IJB and review of governance self-assessment	Complete 	✓	✓	✓	✓	N/A
D04-23	Governance & Assurance	Ongoing advice in relation to governance and assurance arrangements to support the response to the Dundee Drugs Commission	Ongoing 	✓	✓			
D05-23	Workforce	Related risk: Staff Resource 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 3rd sector	February 2023 September 2023* 	✓				

2022/23:								
Ref	Audit	Indicative Scope	Target Audit Committee & current RAG status	Planning Commenced	Work in Progress	Draft Report	Completed	Grade
D06-23	Operational planning	Related risk: All Planning and monitoring implementation of actions to deliver strategic priorities, including those arising from remobilisation and service plans	February 2023 September 2023** 	✓	✓			

* Start of work on this audit has been delayed by Internal Audit resourcing issues and completion of work on the NHS Tayside workforce audit (Shared under the output sharing protocol above).

** Whilst it has not been possible to schedule work in time for the target PAC meeting, fieldwork on this audit is now well underway.

2023/24:								
Ref	Audit	Indicative Scope	Target Audit Committee & current RAG status	Planning Commenced	Work in Progress	Draft Report	Completed	Grade
D01-24	Audit Planning	Agreeing audit universe and preparation of strategic plan	September 2023 	✓				
D02-24	Audit Management	Liaison with management and attendance at Audit Committee	Ongoing/ May 2024 	✓	✓			

2023/24:								
Ref	Audit	Indicative Scope	Target Audit Committee & current RAG status	Planning Commenced	Work in Progress	Draft Report	Completed	Grade
D03-24	Annual Internal Audit Report (2022/23)	CIA's annual assurance statement to the IJB and review of governance self-assessment	June 2023 (IJB) 	✓	✓			