



**REPORT TO: PERFORMANCE AND AUDIT COMMITTEE – 20 JULY 2022**  
**REPORT ON: INTERNAL AUDIT ANNUAL PLAN 2022/23**  
**REPORT BY: CHIEF FINANCE OFFICER**  
**REPORT NO: PAC15-2022**

**1.0 PURPOSE OF REPORT**

1.1 The purpose of this paper is to seek approval of the Annual Internal Audit Plan for Dundee City Integration Joint Board (IJB) for 2022/23 and to agree the appointment of the Chief Internal Auditor.

**2.0 RECOMMENDATIONS**

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

- 2.1 Agrees to the continuation of Fife, Tayside and Forth Valley Audit and Management Services (FTF) as the IJB's lead internal auditors and therefore taking the role of Chief Internal Auditor.
- 2.2 Approves the 2022/23 Annual Internal Audit Plan as set out in Appendix 1 to this report.
- 2.3 Notes that no updates are required to the Internal Audit Charter at this time.

**3.0 FINANCIAL IMPLICATIONS**

3.1 None.

**4.0 MAIN TEXT**

- 4.1 The Scottish Government issued Finance Guidance for Integration Joint Boards (IJB) via the Integrated Resources Advisory Group (IRAG). That guidance states: *'It is the responsibility of the Integration Joint Board to establish adequate and proportionate internal audit arrangements for review of the adequacy of the arrangements for risk management, governance and control of the delegated resources. This will include determining who will provide the internal audit service for the Integration Joint Board and nominating a Chief Internal Auditor.'* Following a meeting of Dundee IJB in May 2016, FTF were appointed as the IJB's Internal Audit Service. It is proposed to continue these arrangements with both Dundee City Council Internal Audit services and FTF continuing to provide resources under the terms of the joint working arrangements already in place. The Chief Internal Auditor role would continue to be provided by FTF.
- 4.2 At its meeting in September 2020, the Performance and Audit Committee agreed that future changes to the Internal Audit Charter would be approved as part of the Integration Joint Board's Annual Internal Audit Plan. No updates to the Charter are required at this point.
- 4.3 Public Sector Internal Audit Standards set out the need to establish risk-based plans to determine the priorities of the internal audit activity, consistent with the organisation's goals. The audit plan is designed to provide the Chief Internal Auditor with sufficient evidence to form an opinion on the adequacy and effectiveness of internal controls. It therefore includes the delivery of standard products required each year, and is further based on professional judgement of audit need based on the IJB's risk environment. In addition, account is taken of assurance which can be provided to the IJB based on work performed under the Internal Audit

plans of both parties. The Internal Audit Plan describes how the available resources will be utilised during the year.

- 4.4 Internal Audit have reviewed the extant strategic risks of the organisation, several of which have been the subject of previous audit coverage. Discussions between the Chief Officer, Chief Finance Officer and Internal Audit have taken place to ensure the substantive audit assignments in 2022/23 add maximum value.
- 4.5 Resources to deliver the plan will be provided by the NHS Tayside and Dundee City Council Internal Audit services. Overall 40 days have been allocated in the 2022/23 Internal Audit Plan. Internal Audit would highlight that the plan is predicated on the basis that operational controls over services are maintained and assured through the partners. An Internal Audit Joint Working Protocol has been agreed, as has a Protocol for sharing Internal Audit outputs, and relevant audits will be shared under the Output Sharing Protocol which will provide additional assurance to the IJB.
- 4.6 At the November 2021 meeting, PAC members discussed feedback from the Committee on the possible direction of future audits. We would therefore welcome comments from members in relation to the audit reviews noted below.
- 4.7 In order to ensure a timely flow of assurance, Internal Audit is committed to ensuring that internal audit assignments are reported to the target audit committee date as noted in the proposed plan below.

## **5.0 POLICY IMPLICATIONS**

- 5.1 This report has been screened for any policy implications in respect of Equality Impact Assessment and Risk Management. There are no major issues.

## **6.0 RISK ASSESSMENT**

- 6.1 This report has not been subject to a risk assessment as it relates to the development of an annual audit plan which aligns with the organisation's risks.

## **7.0 CONSULTATIONS**

- 7.1 The Chief Officer and the Chief Internal Auditor were consulted in the preparation of this report.

## **8.0 BACKGROUND PAPERS**

- 8.1 None.

Dave Berry  
Chief Finance Officer

DATE: 28 June 2022

The proposed plan is set out below:

<b>Ref</b>	<b>Audit</b>	<b>Indicative Scope</b>	<b>Days</b>	<b>Target Audit Committee</b>
<b>D01-23</b>	Audit Planning	Agreeing audit universe and preparation of strategic plan	3	July 2022
<b>D02-23</b>	Audit Management	Liaison with management and attendance at Audit Committee	5	N/A
<b>D03-23</b>	Annual Internal Audit Report (2021/22)	CIA's annual assurance statement to the IJB and review of governance self-assessment	7	June 2022 (IJB)
<b>D04-23</b>	Governance & Assurance	Ongoing advice in relation to governance and assurance arrangements to support the response to the Dundee Drugs Commission	2	N/A- Year end report
<b>D05-23</b>	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	15	February 2023
<b>D06-23</b>	Operational planning	Related risk: All  Planning and monitoring implementation of actions to deliver strategic priorities, including those arising from remobilisation and service plans	8	February 2023

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