
Report To:	Inverclyde Integrated Joint Board Audit Committee	Date:	26 June 2023
Report By:	Chief Officer Inverclyde Integration Joint Board	Report No:	IJBA/06/2023/AP
Contact Officer:	Andi Priestman	Contact No:	01475 712251
Subject:	INTERNAL AUDIT PROGRESS REPORT 27 FEBRUARY TO 2 JUNE 2023		

1.0 PURPOSE AND SUMMARY

- 1.1 ☐ For Decision ☒ For Information/Noting
- 1.2 The purpose of this report is to enable the Inverclyde IJB Audit Committee members to monitor the performance of Internal Audit and gain an overview of the IJB's overall control environment.
- 1.3 The report also presents an update on the Internal Audit work undertaken at Inverclyde Council and NHS Greater Glasgow and Clyde (NHSGGC) between 27 February and 2 June 2023 that may have an impact upon the Inverclyde IJB's control environment.

2.0 RECOMMENDATIONS

- 2.1 It is recommended that Inverclyde IJB Audit Committee members agree to note the progress made by Internal Audit for the period 27 February and 2 June 2023.

Kate Rocks
Chief Officer
Inverclyde Health and Social Care Partnership

3.0 BACKGROUND AND CONTEXT

3.1 The audit plan for 2022/23 was approved at the IJB Audit Committee meeting in March 2022.

3.2 Internal Audit reports findings and action plans to relevant Inverclyde IJB Officers and the Audit Committee as part of the annual audit plan. A follow up process is in place to allow follow up of current internal audit actions to be co-ordinated and updated by Internal Audit on a monthly basis with regular reporting to the Audit Committee.

In each audit, one of 4 overall opinions is expressed:

Strong	In our opinion there is a sound system of internal controls designed to ensure that the organisation is able to achieve its objectives.
Satisfactory	In our opinion isolated areas of control weakness were identified which, whilst not systemic, put some organisation objectives at risk.
Requires improvement	In our opinion systemic and/or material control weaknesses were identified such that some organisation objectives are put at significant risk.
Unsatisfactory	In our opinion the control environment was considered inadequate to ensure that the organisation is able to achieve its objectives.

Individual audit findings are categorised as Red, Amber or Green:

Red	In our opinion the control environment is insufficient to address the risk and could impact the organisation as a whole. Corrective action must be taken and should start immediately.
Amber	In our opinion there are areas of control weakness which we consider to be individually significant but are unlikely to affect the organisation as a whole.
Green	In our opinion our audit highlighted areas for minor control improvement and/or areas of minor control weakness.

3.3 Since the last Internal Audit progress report to the March meeting of the Inverclyde IJB Audit Committee, one Internal Audit report has been finalised in relation to Inverclyde IJB Pandemic Response and Recovery Planning Arrangements.

3.4 Since March 2020 health and social care services have responded to the evolving challenges of the Covid-19 pandemic. Such a major peacetime event starkly illustrates the importance of being adequately prepared to manage emergencies. It was against this background that from March 2021 the Scottish Government designated Integration Joint Boards (IJBs) as Category 1 responders under the Civil Contingencies Act 2004. This legislation places a number of duties on IJBs such as assessing the risk of emergencies occurring and establishing business continuity arrangements. Those duties also apply to health boards and local authorities. The Inverclyde IJB's organisational relationship with the Health and Social Care Partnership requires an effective approach to manage emergencies which could disrupt delivery of vital health and social care services.

3.5 The objective of this audit was to provide the Inverclyde IJB Audit Committee with an assessment of the adequacy and effectiveness of the governance, risk management and controls surrounding the key risks faced by Inverclyde IJB in relation to responding to emergencies such as the Covid-19 pandemic.

3.0 BACKGROUND AND CONTEXT (CONTINUED)

- 3.6 The review focused on the high-level processes and procedures in relation to the response planning and concentrated on identified areas of perceived higher risk, such as the IJB not demonstrating compliance with its duties as a Category 1 responder and not having adequate arrangements in place to communicate with other Category 1 responders during an emergency.
- 3.7 The overall control environment opinion for this audit review was **Satisfactory**. There was one AMBER issue identified as follows:

Demonstrating compliance with the Civil Contingencies Act 2004

Health boards and local authorities are central to the Covid-19 pandemic response. Locally, those organisations operate via the Inverclyde Health & Social Care Partnership (HSCP) to deliver the IJB's Strategic Plan. From March 2021, IJBs were designated Category 1 responders under the Civil Contingencies Act 2004. Duties under the 2004 Act include establishing business continuity arrangements and co-ordinating with other responders such as local authorities and health boards. The Inverclyde IJB's strategic role and the HSCP's service delivery role are central to demonstrating compliance with this legislation.

On behalf of the Inverclyde IJB and HSCP, senior officers engage with established Council, NHS and regional civil contingency groups. However, the IJB has not been formally notified of the steps taken by officers to comply with the Civil Contingencies Act 2004. In addition, a formal mechanism has not yet been developed to provide the IJB with annual assurance regarding the HSCP's continuing compliance with the 2004 Act.

In the absence of adequate reporting and assurance arrangements, Inverclyde IJB members may not be aware of the steps taken by the HSCP to comply with the Civil Contingencies Act 2004.

- 3.8 The audit identified 2 issues, one of which we consider to be individually significant and an action plan is in place to address both issues by 30 June 2023.
- 3.9 The Internal Audit Plan for 2022-23 is now complete.
- 3.10 In relation to Internal Audit follow up, there was one action due for completion by 31 May 2023 which has missed the deadline set by management. There are 9 actions being progressed by officers. The current status report is attached at Appendix 1.
- 3.11 In addition, since the last Internal Audit Progress report to the Audit Committee meeting in March 2023, Internal Audit Reports reported to Inverclyde Council and NHSGGC which are relevant to the Inverclyde IJB are set out at paragraphs 3.12 and 3.13 of the report.
- 3.12 **Inverclyde Council – Internal Audit Progress Report Summary**

Since the last Internal Audit Progress Report considered at the March 2023 meeting of the Audit and Performance Committee, there were no Internal Audit Reports reported to Inverclyde Council which are relevant to the Inverclyde IJB.

3.0 BACKGROUND AND CONTEXT (CONTINUED)

3.13 NHSGGC - Internal Audit Progress Report Summary

Since the last IA Progress Report considered at the September meeting of the Audit and Performance Committee, there were 4 Internal Audit Reports reported to NHSGGC which are relevant to the Inverclyde IJB and are set out in the undernoted table. There were no Grade 4 recommendations raised (very high exposure) and no control objectives assessed as red.

Audit Title	Rating	Number and Priority of Issues			
		4	3	2	1
Financial Systems Healthcheck (Payroll) (1)	Minor Improvement Required	-	1	4	-
Sustainability and Value Programme	Minor Improvement Required	-	-	2	-
Capital/Estates Planning – Neurological Science Project	Minor Improvement Required	-	-	2	1
Waiting List Management	Minor Improvement Required	-	-	2	-
Management Action Follow Up Q1 and Q3	N/A				
Total		-	1	10	1

(1) The audit identified one key area for improvement relating to maintaining pace with current efforts to ensure line managers' adherence to eESS procedures for starters, leavers and payroll amendments. The audit also made a number of less significant recommendations concerning the strengthening of procedures and the elimination of paper forms, to make full use of the eESS system.

3.14 Internal Audit within Inverclyde Council and NHSGGC undertake follow up of actions in accordance with agreed processes and report on progress to the respective Audit Committees.

4.0 PROPOSALS

4.1 The Inverclyde IJB Audit Committee is asked to note the progress made by Internal Audit for the period 27 February and 2 June 2023.

5.0 IMPLICATIONS

5.1 The table below shows whether risks and implications apply if the recommendation(s) is(are) agreed:

SUBJECT	YES	NO	N/A
Financial		X	
Legal/Risk	X		
Human Resources		X	
Strategic Plan Priorities		X	
Equalities		X	
Clinical or Care Governance		X	
National Wellbeing Outcomes		X	
Children & Young People's Rights & Wellbeing		X	

Environmental & Sustainability		X	
Data Protection		X	

5.2 Legal/Risk

Where delays arise in delivering the Internal Audit Plan, there is a risk that this may result in an inability to provide a reasonable level of assurance over the Inverclyde IJB's system of internal control to those charged with governance. The main basis for providing assurance is coverage of the planned risk-based audits. Every endeavour is therefore made to ensure that no material slippage occurs in risk-based audits by concentrating resources on these audits.

6.0 DIRECTIONS

6.1	Direction Required to Council, Health Board or Both	Direction to:	
		1. No Direction Required	X
		2. Inverclyde Council	
		3. NHS Greater Glasgow & Clyde (GG&C)	
		4. Inverclyde Council and NHS GG&C	

7.0 CONSULTATION

7.1 N/A

8.0 BACKGROUND PAPERS

8.1 Internal Audit Reports. Copies available from Chief Internal Auditor.

**INVERCLYDE INTEGRATION JOINT BOARD
INTERNAL AUDIT REPORT TO AUDIT COMMITTEE ON
STATUS OF INTERNAL AUDIT ACTION PLAN POINTS
AT 31 MAY 2023**

**Summary: Section 1 Summary of Management Actions due for completion by
31/05/2023**

There was one action due for completion by 31 May 2023 which has missed the deadline set by management.

**Section 2 Summary of Current Management Actions Plans at
31/05/2023**

At 31 May 2023 there were no audit reports delayed due to management not finalising the action plan within agreed timescales.

Section 3 Current Management Actions at 31/05/2023

At 31 May 2023 there were 9 current audit action points.

Section 4 Analysis of Missed Deadlines

At 31 May 2023 there were 5 audit action points where the agreed deadline had been missed.

Section 5 Summary of Audit Action Points By Audit Year

**INVERCLYDE INTEGRATION JOINT BOARD
INTERNAL AUDIT REPORT TO AUDIT COMMITTEE ON
STATUS OF INTERNAL AUDIT ACTION PLAN POINTS**

SUMMARY OF MANAGEMENT ACTION PLANS DUE FOR COMPLETION BY 31.05.2023

SECTION 1

No. of Actions Due	No. of Actions Completed	Deadline missed Revised date set*	Deadline missed Revised date to be set*	No action proposed
1			1	

* These actions are included in the Analysis of Missed Deadlines – Section 4

**INVERCLYDE INTEGRATION JOINT BOARD
INTERNAL AUDIT REPORT TO AUDIT COMMITTEE ON
STATUS OF INTERNAL AUDIT ACTION PLAN POINTS**

SUMMARY OF CURRENT MANAGEMENT ACTIONS AS AT 31.05.2023

SECTION 2

Current Actions	
Due for completion June 2023	5
Due for completion September 2023	2
Due for completion December 2023	1
Completion date to be advised	1
Total current actions:	9

CURRENT MANAGEMENT ACTIONS AS AT 31.05.2023

Recommendation/Agreed Action	Owner	Expected Date
IJB Integration Scheme Update – Readiness Review (December 2019)		
Recommendation: Specifying governance arrangements within the Integration Scheme (Amber) The Scottish Government have confirmed IJBs will be required to review their current integration schemes rather than complete a new scheme. The 6 HSCP across Greater Glasgow and Clyde will contribute to a short life working group to review collectively ensuring cross cutting issues are addressed. The Inverclyde HSCP has identified the appropriate officer to contribute to this work. The HSCP are also working closely with Legal Services within the Council and NHS to review our current Integration Scheme. Agreed Action: Recommendation accepted.	IJB Chief Officer	To be advised*
Budgetary Control (March 2020)		
Recommendation: Updating the Inverclyde Integration Joint Board's (IJB) reserves strategy (Green) The IJB's Chief Financial Officer will update the IJB's reserves strategy to fully: <ul style="list-style-type: none"> • reflect the terminology used within the IJB's annual accounts regarding reserves; and • allow for the revised Integration Scheme. Agreed Action: Recommendation accepted.	IJB Chief Financial Officer	30.06.2023*
IJB Performance Management and Reporting Arrangements (July 2021)		
Recommendation: Reporting on progress with implementing the IJB's Strategic Plan (Amber) Management will provide a mid-year (April to September) Strategic Plan progress report to IJB that includes RAG status and actions. Management will produce an “easy read” document which covers the progress being made with implementing the IJB's Strategic Plan and would accompany the Annual Performance report. Agreed Action: Recommendation accepted.	IJB Chief Financial Officer	30.09.2023*
	IJB Chief Financial Officer	30.09.2023*

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**INVERCLYDE INTEGRATION JOINT BOARD
INTERNAL AUDIT REPORT TO AUDIT COMMITTEE ON
STATUS OF INTERNAL AUDIT ACTION PLAN POINTS**

CURRENT MANAGEMENT ACTIONS AS AT 31.05.2023

SECTION 3

Recommendation/Agreed Action	Owner	Expected Date
IJB Workforce Planning Arrangements (February 2023)		
Recommendation: Managing Timescales within the Workforce Plan action plan (Amber) The IJB Chief Financial Officer will, in conjunction with all relevant senior officers, review the timescales within the workforce plan action plan with the aim of: <ul style="list-style-type: none"> • more clearly identifying priority actions for the next year. • seeking to set intermediate actions and corresponding timescales for those actions which are forecast to take more than a year to fully implement. Agreed Action: Recommendation accepted.	IJB Chief Financial Officer	30.06.2023
Recommendation: Managing Timescales within the Workforce Plan action plan (Amber) The IJB Chief Financial Officer will also explore the use of the Pentana system to record milestones for actions and priorities for each action. Agreed Action: Recommendation accepted.	IJB Chief Financial Officer	31.12.2023
Recommendation: Managing the development of detailed workforce plan action plans (Green) The IJB Chief Financial Officer will oversee appropriate arrangements to regularly and adequately monitor the development and implementation of each detailed action plan which originates from the high-level workforce plan. Agreed Action: Recommendation accepted.	IJB Chief Financial Officer	30.06.2023
Recommendation: Clearer responsibility and accountability for implementing action plans (Green) The IJB Chief Financial Officer will review the responsible officer column within the high-level workforce plan and review the current operational procedure for managing workforce planning activities and ensure that the revised procedure aligns to the procedure used to monitor the Strategic Plan. Agreed Action: Recommendation accepted.	IJB Chief Financial Officer	30.06.2023

* These actions are included in the Analysis of Missed Deadlines – Section 4

**INVERCLYDE INTEGRATION JOINT BOARD
INTERNAL AUDIT REPORT TO AUDIT COMMITTEE ON
STATUS OF INTERNAL AUDIT ACTION PLAN POINTS**

CURRENT MANAGEMENT ACTIONS AS AT 31.05.2023

SECTION 3

Recommendation/Agreed Action	Owner	Expected Date
IJB Recovery and Response Planning Arrangements (April 2023)		
<p>Recommendation: Demonstrating compliance with the Civil Contingencies Act 2004 (Amber) The IJB's Chief Financial Officer should;</p> <ul style="list-style-type: none"> advise the IJB of the arrangements which have been established to comply with the Civil Contingencies Act 2004. This exercise should include outlining the roles and responsibilities of IJB and HSCP officers when implementing this legislation. In addition, the various organisational relationships required to manage civil contingencies along with the corresponding funding arrangements should also be outlined to the IJB; and establish a formal and proportionate mechanism to obtain annual assurance from the HSCP's delivery partners, Inverclyde Council and NHS Greater Glasgow & Clyde, regarding their compliance with the Civil Contingencies Act 2004. In turn, that assurance should be appropriately provided to the IJB each year. <p>Agreed Action: Recommendation accepted. IJB report to be submitted to the June meeting on the above points and schedule for yearly update. An action plan of work around this will be developed and submitted alongside the report.</p>	<p>Service Manager Advice Service & Business Support</p>	<p>30.06.2023</p>

* These actions are included in the Analysis of Missed Deadlines – Section 4

**INVERCLYDE INTEGRATION JOINT BOARD
INTERNAL AUDIT REPORT TO AUDIT COMMITTEE ON
STATUS OF INTERNAL AUDIT ACTION PLAN POINTS
ANALYSIS OF MISSED DEADLINES**

SECTION 4

Report	Action	Original Date	Revised Date	Management Comments
Budgetary Control (March 2020)	<p>Updating the Inverclyde Integration Joint Board's (IJB) reserves strategy (Green)</p> <p>The IJB's Chief Financial Officer will update the IJB's reserves strategy to fully:</p> <ul style="list-style-type: none"> • reflect the terminology used within the IJB's annual accounts regarding reserves; and • allow for the revised Integration Scheme. 	<p>30.09.20 31.09.21 31.08.22</p>	30.06.23	An updated reserves strategy will go to the IJB Audit Committee in June 23. This will include an update also in relation to risk attached to specific reserves.
IJB Integration Scheme Update – Readiness Review (December 2019)	<p>Specifying governance arrangements within the Integration Scheme (Amber)</p> <p>The Scottish Government have confirmed IJBs will be required to review their current integration schemes rather than complete a new scheme. The 6 HSCP across Greater Glasgow and Clyde will contribute to a short life working group to review collectively ensuring cross cutting issues are addressed.</p> <p>The Inverclyde HSCP has identified the appropriate officer to contribute to this work. The HSCP are also working closely with Legal Services within the Council and NHS to review our current Integration Scheme.</p>	<p>31.07.22 31.05.23</p>	To be advised	Work has continued to be developed on the integration schemes. We continue to work with our partners at the NHS and Council around updates. Work also continues across all 6 Greater Glasgow and Clyde IJB's to find a consistent approach to our Integration Schemes.

**INVERCLYDE INTEGRATION JOINT BOARD
INTERNAL AUDIT REPORT TO AUDIT COMMITTEE ON
STATUS OF INTERNAL AUDIT ACTION PLAN POINTS
ANALYSIS OF MISSED DEADLINES**

SECTION 4

Report	Action	Original Date	Revised Date	Management Comments
IJB Performance Management and Reporting Arrangements (July 2021)	Reporting on progress with implementing the IJB's Strategic Plan (Amber) Management will produce an "easy read" document which covers the progress being made with implementing the IJB's Strategic Plan and would accompany the Annual Performance report.	30.06.22 30.11.22	30.09.23	The Strategic Plan was presented to the March 2023 IJB and was approved. The "easy read" document will be presented to the September meeting of the IJB.
IJB Performance Management and Reporting Arrangements (July 2021)	Reporting on progress with implementing the IJB's Strategic Plan (Amber) Management will provide a mid-year (April to September) Strategic Plan progress report to IJB that includes RAG status and actions.	30.11.22	30.09.23	The Strategic Plan was presented to the March 2023 IJB and was approved. The mid-year update will be presented to the September meeting of the IJB.
IJB Performance Management and Reporting Arrangements (July 2021)	Managing the development of detailed workforce plan action plans (Green) The IJB Chief Financial Officer will oversee appropriate arrangements to regularly and adequately monitor the development and implementation of each detailed action plan which originates from the high-level workforce plan.	30.04.23	30.06.23	An updated report will be presented to IJB in June 2023.

**INVERCLYDE INTEGRATION JOINT BOARD
INTERNAL AUDIT REPORT TO AUDIT COMMITTEE ON
STATUS OF INTERNAL AUDIT ACTION PLAN POINTS**

SUMMARY OF ACTION PLAN POINTS BY AUDIT YEAR

SECTION 5

The following table sets out the total number of agreed actions raised by audit year together with their completion status as at 31 May 2023.

Audit Year	Total Agreed Actions	Total Actions Completed	Total Current Actions Not Yet Due*		
			Red	Amber	Green
2016/2017	3	3	0	0	0
2017/2018	8	8	0	0	0
2018/2019	6	5	0	1	0
2019/2020	6	5	0	0	1
2020/2021	2	2	0	0	0
2021/2022	6	4	0	1	1
2022/2023	6	1	0	3	2
Total	37	28	0	5	4

* This part of the table sets out the total number of current actions not yet due at the date of the follow up report.