



Integration Joint Board
Audit and Risk Committee

9th March 2020

This Report relates to
Item 6 on the Agenda

Chief Internal Auditor Quarterly Update March 2020

Paper presented by Julie Watters

For Discussion and Noting

Approved for Submission by	Chief Finance Officer, Integration Joint Board
Author	Julie Watters Chief Internal Auditor Dumfries and Galloway Integration Joint Board
List of Background Papers	None
Appendices	Appendix 1 – IJB Audit and Assurance requirements 2019/20 Appendices 2&3 – Progress against 2018/19 and 2019/20 NHSDG Audit plans Appendix 4 – NHS audit reports Appendix 5 – Council audit reports

1. Introduction

- 1.1 The purpose of this report is to provide an update to Audit and Risk Committee on delivery of the Internal Audit Plan for the Integration Joint Board for the year 2019/20 and to highlight the assurances received from NHS Dumfries and Galloway and Dumfries and Galloway Council as part of the IJB's overall governance and risk management processes.

2. Recommendations

- 2.1 The IJB Audit and Risk Committee is asked to
- Note this update on progress against the Internal Audit plan for 2019/20.

3. Background

- 3.1 As detailed in previous reports guidance requires the Integration Joint Board (IJB) to establish adequate and proportionate internal audit arrangements for the review of risk management, governance and controls over delegated resources.
- 3.2 The approved internal audit plan for the IJB takes into consideration the fact that operational services are delivered within the Health Board and Local Authority respectively on behalf of the IJB and as such assurances are provided on these areas to their Audit and Risk Committees.
- 3.3 The Council and Health Board have separate internal audit plans for 2019/20 approved through their own Audit and Risk Committees which have agreed the allocation of 40 days each towards a joint audit for the IJB. These individual plans deliver a range of assurances within the host organisations as well as giving a specific allowance of audit days for the delivery of a piece of joint audit work.
- 3.4 It was agreed at the IJB Audit and Risk Committee meeting in December that this joint work will deliver assurances around the Delayed Discharge process and the scope of this work was brought to this committee.

4. Main Body of the report

Audit progress – 2019/20 plan

- 4.1 The overall aim of the audit plan for 2019/20 is to provide assurance on the ongoing risk management, governance and assurance arrangements in the IJB. This is informed by the respective audits undertaken within each partner organisation and this year is also enhanced with dedicated audit days being provided from both the Health Board and Council Internal Audit plans.
- 4.2 Audit assurances to the IJB are not delivered in isolation and the internal audit functions of both the NHS and Council will deliver assurances to their own organisations that should also be considered by the IJB where relevant. It is the

responsibility of the Chief Internal Auditor for the IJB to ensure that these assurances are consolidated and reported on as relevant.

- 4.3 Reporting to the NHS Audit and Risk Committee on progress against the Audit Plan has been enhanced with copies of all reports finalised in the previous quarter being taken to committee. This information will be summarised at year end within the Statement of Assurance provided within the annual report.
- 4.4 The reports within the following table have been taken to the January 2020 Audit and Risk Committee.

Table 1 – Audit reports taken to NHS ARC January 2020

Audit	Assurance	To IJB ARC
A/01/19 Delegated Authorities	Moderate	March 2020
A/10/19 Hospital Cleaning	Significant	-
TS/10/19 Payroll	Significant	-
A/03/19 Transport	Moderate	-
A/06/19 Waste Management	Moderate	-
A/05/19 Digital Health	Moderate	March 2020
A/08/19 Patient Access and Waiting Times	Moderate	March 2020
TS/18/19 Integrated Central Equipment Stores	Significant	March 2020
A/09/19 Services for Older People	Significant	March 2020
A/04/19 IT Security	Moderate	-

- 4.5 Five of these reports as detailed above are attached to this report for information (Appendix 4).
- 4.6 The NHS audit with most relevance to IJB governance is that of Delegated Authorities. This was scoped to “provide assurance that authority delegated by the Board is being managed in accordance with the most current version of the Code of Corporate Governance, the Scheme of Delegation and the Standing Financial Instructions” and this delivered a Moderate level of assurance. Whilst mostly covering the authorities and decision making within the Health Board it also covered changes to these due to the creation of the IJB and the implications of this on strategic decision making and operational processes.
- 4.7 Audit work from the Local Authority side has included review of MOSAiC the Council’s Social Care system. The paper that was taken to the Council’s Audit, Risk and Scrutiny Committee on 24th February 2020 is attached for information (Appendix 5).
- 4.8 This reporting approach aims to give an early indication of any identified issues that may be of relevance. This reporting can be adjusted to meet the requirements of IJB Audit and Risk Committee members as required.

Audit Follow-Up Processes

- 4.9 The following table details the status of NHS audit actions as at 3 February 2020.

Table 2 – Audit action progress by Directorate

Directorate	Total	Overdue	Open	Pending Review
Workforce	8	7	1	0
Chief Executive	6	1	5	0
COO/Integration	37	11	26	0
Finance	7	6	1	0
Nursing	8	7	1	0
Grand Total	66	32	34	0

4.10 The current position as at 3 February 2020 shows **66** open actions of which **32** (48%) are currently overdue.

4.11 Of the actions detailed above in relation to COO/Integration, these relate to the following audits.

Audit	Overdue Actions	Open Actions
2012 BF-15-12 Information Governance	1	
2014 A-11-14 NHS Continuing Care	1	
2015 A-07-15 Data Protection Act and Caldicott Guardian	1	
2016 A-08-16 Patient Administration Systems	1	1
2017 A-05-17 Procurement	1	
2018 A-02-18 Health and Safety Policy and Procedures		1
2019 A-03-19 Transport	1	
2019 A-04-19 IT Security		9
2019 A-05-19 Telehealthcare		3
2019 A-06-19 Waste Management	1	
2019 A-08-19 Patient Access and Waiting Times	1	5
2019 A-10-19 Hospital Cleaning	3	
2019 TS-01-19 Capital Assets		1
2019 TS-18-19 Equipment Bank		6
Total	11	26

4.12 Reporting will be brought back to committee on the actions that have been overdue for some time and may require further discussion to facilitate closure.

4.13 These figures show an improved position compared to a number of years ago and the number of overdue actions is reducing as managers engage more with the audit team and focus on managing the risk or weakness in their area.

Audit Plan 2019/20

4.14 As previously reported there have been a number of meetings to discuss the content and format of the audit plan for the IJB for 2019/20. The scope of this audit relates to Delayed Discharges which is felt to be one of the highest risk areas at present and a key area where the outcomes of Integration would be expected to make an impact.

- 4.15 The Chief Internal Auditors of both the Council and NHS have met to agree how this audit will be taken forward and to agree areas of responsibility in a process that crosses over both organisations.

SECTION 2: COMPLIANCE WITH GOVERNANCE STANDARDS

5. Resource Implications

- 5.1 The Internal Audit provision for the IJB for 2019/20 has been approved from the NHS and Council audit resource.

6. Impact on Integration Joint Board Outcomes, Priorities and Policy

- 6.1 Internal Audit is a key element of the delivery of independent assurances around the achievement of the IJB's objectives.

7. Legal & Risk Implications

- 7.1 The IJB Risk Register has been considered and discussed in the scoping of this audit and its inclusion in the 2019/20 plan.

8. Consultation

- 8.1 The Chair and Vice-Chair of the IJB Audit and Risk Committee have been consulted and their views have been incorporated into this paper.

9. Equality and Human Rights Impact Assessment

- 9.1 The Equality Framework within NHS D&G has been considered in creating the audit plan. An equalities impact assessment has not been completed.

10. Glossary

- 10.1 The following table details the abbreviations and associated terms encountered throughout this report and guidance referred to.

Abbreviation	Term
CIA	Chief Internal Auditor
D&GC	Dumfries and Galloway Council
IJB	Integration Joint Board
IRAG	Integrated Resources Advisory Group
NHS D&G	NHS Dumfries and Galloway
PSIAS	Public Sector Internal Audit Standards

Integration Joint Board Audit and Assurance requirements 2019/20

Assurance Area	Timing	Who	Days	Comments
Audit Planning 19/20	Dec 2019	IJB CIA	35	Draft scope for audit work in 2019/20 audit plan
Audit Management	Ongoing	IJB CIA		Liaison with managers and Directors and liaison between HB and NHS audit functions
Committee reporting	Quarterly	IJB CIA		Quarterly updates to Committee on audit progress and attendance at Audit and Risk Committee
Audit Planning 20/21	June 2020	IJB CIA		Draft Internal Audit plan 2020/21 and onwards
Annual Internal Audit Report	Sept 2020	IJB CIA		Including CIA's annual assurance statement to Audit and Risk Committee to inform the IJB Governance Statement
Governance and Assurance arrangements – Ongoing	2019/20	IJB IA		Review of decision making processes along with monitoring and reporting mechanisms across the IJB and partner organisations.
Audit Follow up	2019/20	IJB CIA	40	To follow up on the actions from the 2016/17 internal audit
Joint audit assurance	2019/20	IJB IA		Delivery of joint audit work within the 2019/20 audit plan

Previous work undertaken in the 2016/17 IJB audit

Governance and Assurance arrangements - Initial	2016/17 – Q4	IJB IA	25	Review of Health and Social Care Integration within Dumfries and Galloway, focussing on: <ul style="list-style-type: none"> • Financial, • Staff, • Information, and • Clinical and Care Governance and include Risk and Performance Management arrangements
Strategic Planning	2016/17 – Q4	IJB IA		Initial review of the processes around the preparation of the IJB Strategic Plan

Progress against the 2018/19 Audit Plan

Audit	Audit Subject	IJB	Days	Status	Rec's	Assurance	Comments
A/01/19	Delegated Authorities	✓	25	Final	12	Moderate	
A/02/19	Contract Management		20	Prelim		-	At reporting stage
A/03/19	Transport		25	Final	11	Moderate	
A/04/19	IT Security		20	Prelim	9	Moderate	
A/05/19	Digital Health Strategy	✓	20	Final	4	Moderate	
A/06/19	Waste Management		23	Final	10	Moderate	
A/07/19	Recruitment and Retention - Staff Turnover		20	-	-	-	Rolled into 2020/21 audit plan
A/08/19	Patient Access and Waiting Times	✓	20	Final	6	Moderate	
A/09/19	Services for Older People	✓	20	Final	2	Significant	
A/10/19	Hospital Cleaning		20	Final	5	Significant	
A/11/19	Adverse Incident Reporting		24	Final	7	Significant	
F/01/19	Property Transaction Monitoring		10	Final	-	Comprehensive	Reported to NHS ARC Sept 2018
TS/01/19	Capital Assets		18	Final	4	Significant	
TS/10/19	Payroll	✓	20	Final	2	Significant	
TS/18/19	Equipment Bank	✓	20	Final	7	Significant	

Audit	Audit Subject	Days	Status	Rec's	Assurance	Comments
A/05/18b	New Hospital Post Project Evaluation	-	Final	1	Significant	Follow up to original Migration and Commissioning audit work in 2017/18 audit plan

Progress against the 2019/20 Audit Plan

Audit	Audit Subject	Days	Status	Rec's	Assurance	Comments
A-01-20	CEL's and Scottish Government guidance	20	WIP			Scoped and underway
A-02-20	Complaints Management process	20	WIP			At reporting stage
A-03-20	Remote Working	25	WIP			
A-04-20	HR Systems - eESS	25	Prelim	19	Limited	
A-05-20	Pre-employment checking	20				
A-06-20	Stores and Stock Control - Pharmacy	20	Final	8	Significant	
A-07-20	Health Inequalities	25				Rolled forward into 2020/21 audit plan
A-08-20	Community Engagement	25				Rolled forward into 2020/21 audit plan
RM-01-20	Risk Management	20	WIP			Scoped and underway
FM-01-20	Externals - activity monitoring	20				
TS-01-20	Financial transactions - accuracy and completeness	30				
IJB-01-20	Joint audit assurance	40				Scope agreed with IJB Audit and Risk Committee – To cover Delayed Discharges