



Dumfries and Galloway
IJB Audit, Risk and Governance Committee

23 February 2023

This Report relates to
Item 8 on the Agenda

Chief Internal Auditor Quarterly Update February 2023

Paper presented by Julie Watters

For Discussion and Noting

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List of Background Papers:	n/a
Appendices:	Appendix 1 – Progress against 2022/23 Audit Plan – NHS

1. Introduction

- 1.1 The purpose of this report is to provide an update to Audit and Risk Committee (ARC) on delivery of Internal Audit assurances for the Integration Joint Board for 2022/23 and to highlight relevant assurances received from the NHS Dumfries and Galloway and Dumfries and Galloway Council audit plans as part of the IJB's overall governance and risk management processes.

2. Recommendations

2.1 The IJB Audit, Risk and Governance Committee is asked to:

- note this update on progress against the Internal Audit work for 2022/23.

3. Background and Main Report

- 3.1 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 internal audit coverage 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 respective Audit and Risk Committees.

- 3.3 The overall objective of the audit plan is to provide assurance on the ongoing risk management, governance and control arrangements in the IJB. This is informed by the respective audits undertaken within each partner organisation and is enhanced, as required, with dedicated audit days being provided from both the Health Board and Council Internal Audit plans.

- 3.4 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.

Audit plan 2022/23

- 3.5 The Council and Health Board have separate internal audit plans for each financial year approved through their own Audit and Risk Committees. These individual plans deliver a range of assurances within the host organisations as well as occasionally giving a specific allowance of audit days for provision of assurance in relation to the IJB and H&SCP.

- 3.6 The IJB Internal Audit annual report for 2021/22 was presented to the IJB ARC in September 2022 and detailed the range of assurances that had been provided from the NHS and Council audit work during the year and highlighted those of specific relevance to the IJB.

- 3.7 The NHS Internal Audit Plan for 2022/23 was approved as two 6-monthly plans taken to the April and October 2022 ARC meetings.

- 3.8 The Council's Audit Plan for 2022/23 was approved at their Audit, Risk and Scrutiny meeting in June 2022.

- 3.9 Reporting to the NHS Audit and Risk Committee on progress against the Audit Plan includes provision of copies of all reports finalised in the previous. This information is summarised at year-end within the Statement of Assurance provided within the annual report.
- 3.10 The reports within the following table have been taken to the NHS Audit and Risk Committee since the previous meeting in September 2022. Where a future date is captured the audit is included to indicate the assurance level given from the audit work undertaken, where the audit has been finalised, although this has not yet been taken through the ARC. Five audits are in the process of being reported and the assurance levels are currently being determined. These will be reported back to this committee at the June meeting.

Table 1 – Audit reports presented to NHS Audit and Risk Committee

Audit	Assurance	To NHS ARC
A/03/22 – Central Sterile Services Department	Significant	October 2022
A/06/23 – Contract Monitoring – DGRI	Moderate	October 2022
A/01/23 – Environmental Strategy	Limited	January 2023
A/02/22 – Emergency Planning and Response	Moderate	January 2023
A/05/22 – Waiting Lists	Moderate	January 2023
TS/12/22 – Cash Controls	Significant	April 2023
A/03/23 – Freedom of Information	Significant	April 2023
A/01/23 – Risk Management	Moderate	April 2023
A/02/23 – Whistleblowing	Moderate	April 2023
TS/10/22 – Payments to Staff	Moderate	April 2023

- 3.11 Audit work from the Local Authority, as reported through their Audit, Risk and Scrutiny Committee, has mainly focussed on core financial work. This is due to pressures within the team. They have recently recruited to one of two vacant posts.
- 3.12 The Internal Audit functions of both the NHS and Council continue to experience challenges in progressing audit work due to ongoing pressures across the services, which have been especially stretched over recent months, although this is starting to show early signs of easing. Audit approaches have being amended to allow for remote and hybrid working.
- 3.13 An approach to coordinate assurances from the individual audit plans was agreed through this committee in March 2022 and was applied for the 2021/22 audit year. This proved to be successful with sharing information and a number of meetings to discuss the risks facing the NHS and Council and where independent assurances could be provided on these and where relevant for the IJB.
- 3.14 This approach is being followed into 2022/23 and reporting on assurances will be in a similar format to previous years.

Audit Follow-Up Processes

- 3.15 Within the Health Board, all audit recommendations and subsequent actions are monitored through the Audit and Risk Committee.
- 3.16 The position as at 3 February 2023 shows there are 138 actions of which 114 (83%) are currently overdue.

- 3.17 This backlog in closure of actions is being discussed at the NHS Audit and Risk Committee who have a clear view that this current high level of overdue actions needs to be addressed. Without clear progress on the closure of actions
- 3.18 Reporting through the NHS ARC on these actions has also compared where these sit within the Board's risk appetite and this is being used to prioritise those for more urgent closure.

Audit Planning 2023/24

- 3.19 Looking ahead, any plan for the IJB needs to recognise the changing landscape across Health and Social Care as we recover from the impact of Covid.
- 3.20 The NHS Plan for the start of 2023/24 will be taken to their Audit and Risk Committee in April 202. The Local Authority Plan will be taken to a future Audit Risk and Scrutiny Committee meeting.
- 3.21 Any audit work delivered within the partnership needs to follow a risk based approach and therefore the risk register work that is being taken forward for the IJB and the Health and Social Care Partnership needs to continue so that risks to the achievement of objectives are clearly identified and articulated. This will assist in directing audit resource where assurances are needed most.
- 3.22 To assist in this planning and to understand the current business being discussed across the partnership, the Chief Internal Auditor has been attending the revised committee meetings. This has been more relevant with the recent change to the committee format within the IJB. This has been supported with a review of the agendas and associated papers presented to each committee.

4. Conclusions

- 4.1 This report provides an update on progress against the plans for 2022/23 and details further work required to pull together these assurances.

5. Resource Implications

- 5.1 The Internal Audit provision for the IJB for 2022/23 has been provided from the existing 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 and Risk Implications

- 7.1 The IJB Risk Register requires continual review so that risks to the achievement of objectives are clearly identified and articulated. This will assist in directing audit resource where assurances are most needed.

8. Consultation

- 8.1 This paper, as a summary of the overall audit approach, has been discussed with the Internal Audit Manager at Dumfries and Galloway Council.

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.

ARC	Audit and Risk Committee
DGC	Dumfries and Galloway Council
EQIA	Equalities Impact Assessment
H&SCP	Health and Social Care Partnership
IJB	Integration Joint Board
NHS D&G	NHS Dumfries and Galloway

BOARD OFFICIAL

Progress against Audit Plan - NHS

Audit	Audit Subject	Days	Status	Recs	Assurance	To Audit and Risk Committee	Comments
A/01/22	Environmental Strategy	25	Final	12	Limited	January 2023	
A/02/22	Emergency Planning and Response	25	Final	10	Moderate	January 2023	
A/03/22	Central Sterile Services Department	20	Final	5	Significant	October 2022	
A/04/22	Covid Vaccinations	25	Final	3	Significant	July 2022	
A/05/22	Waiting Lists	25	Final	5	Moderate	January 2023	
A/06/22	DPA/GDPR	25	Final		Moderate	July 2022	
A/07/22	Pre-employment checking	20	Final	5	Moderate	July 2022	
TS/12/22	Cash Controls/Petty Cash	20	Prelim	2	Significant	April 2023	Awaiting management response
TS/10/22	Payments to staff	25	Prelim	7	Moderate	April 2023	At debrief stage
A/01/23	Risk Management	20	Prelim	11	Moderate	April 2023	Awaiting management response
A/02/23	Whistleblowing	20	Prelim	7	Moderate	April 2023	Awaiting management response
A/03/23	Freedom of Information	25	Prelim	8	Significant	April 2023	At debrief stage
A/04/23	External Comms and Social Media	25	WIP				Nearing reporting stage
A/05/23	Public Health Screening	25	WIP				Scoping meeting arranged
A/06/23	Contract Monitoring - DGRI	20	Final	8	Moderate	October 2022	
A/07/23	Procurement	25	WIP				Early reporting stage
F/01/23	Property Transactions Monitoring	10	-	-	-	-	No property transactions during 2021/22
A/08/23	Register of Interests/Gifts and Hospitality	17	WIP				
A/09/23	Home Teams - Governance and Reporting	25					Audit being scoped
A/10/23	Mental Health Waiting Lists	20	WIP				
A/11/23	Safer Staffing	25	WIP				Testing progressing
A/12/23	Staff Appraisals	20					Format being discussed with Workforce Director