

## **INTERNAL AUDIT ANNUAL PLAN 2016/17 FOR SCOTTISH BORDERS HEALTH AND SOCIAL CARE INTEGRATION JOINT BOARD**

### **Aim**

- 1.1 To gain approval to the proposed Internal Audit Annual Plan 2016/17 for the Scottish Borders Health and Social Care Integration Joint Board to enable the IJB Chief Internal Auditor to prepare an annual internal audit opinion on the adequacy of the arrangements for risk management, governance and control of the delegated resources.

### **Background**

- 2.1 Management are responsible for setting up suitable and sound systems of internal control, risk management and governance arrangements and for monitoring the continuing effectiveness of these systems and arrangements to ensure robust and efficient governance of the health and social care partnership. These are not fixed but evolve as the partnership changes.
- 2.2 Internal Audit is an independent appraisal function established for the review of the internal control system and governance as a service to the Health and Social Care Integration Joint Board. It objectively examines, evaluates and reports on the adequacy of internal control and governance as a contribution to the proper, economic, efficient and effective use of delegated resources and the management of risk.
- 2.3 The role of the IJB Audit Committee will be to provide high-level oversight of the IJB's governance, risk management and control frameworks and to oversee the financial reporting and annual governance processes. It will receive reports from Internal Audit and External Audit, helping to ensure efficient and effective assurance arrangements are in place.

### **Proposal**

- 3.1 The SBC Internal Audit function follows the professional standards as set out in Public Sector Internal Audit Standards (PSIAS) effective 1 April 2013 which requires the chief audit executive to establish risk-based plans to determine the priorities of the internal audit activity, consistent with the organisation's goals. This plan also requires to be sufficiently flexible to reflect the changing risks and priorities of the organisation.
- 3.2 The proposed Internal Audit Annual Plan 2016/17 for the Scottish Borders Health and Social Care Integration Joint Board is detailed in Appendix 1. The Plan: defines the purpose, authority and responsibility of the Internal Audit activity; sets out the relative allocation of resources; outlines the Assurance Framework (including assurance from partners' Internal Audit providers); specifies the Internal Audit priorities; and sets out the range and breadth of audit areas and sufficient work within the audit programme of work to enable the IJB Chief Internal Auditor to prepare an annual internal audit opinion. Key components of the audit planning process include a clear understanding of the IJB's functions, associated risks, and assurance framework.

## Recommendation

The Integration Joint Board Audit Committee is asked to approve the Internal Audit Annual Plan 2016/17 for Scottish Borders Health and Social Care Integration Joint Board as detailed in Appendix 1 of this report.

<b>Policy/Strategy Implications</b>	The establishment of appropriate audit arrangements is one of the key components of good governance.
<b>Consultation</b>	The IJB Chief Officer and Interim Chief Financial Officer have been consulted on the risk-based audit approach and the resultant planned audit coverage to ensure it will provide assurance on controls and governance relating to the key risks facing the IJB and to assist them in discharging their roles and responsibilities. Other key stakeholders, including senior financial management and internal and external auditors of the partner organisations, have been consulted on the approach to ensure that audit work is co-ordinated and programmed to avoid duplication and maximise assurance.
<b>Risk Assessment</b>	Key components of the audit planning process include a clear understanding of the IJB's functions, associated risks, and potential range and breadth of audit areas for inclusion within the plan. To capture potential areas of risk and uncertainty more fully, key stakeholders have been consulted.
<b>Compliance with requirements on Equality and Diversity</b>	It is anticipated that there are no adverse impact due to race, disability, gender, age, sexual orientation or religion/belief arising from the proposals in this report.
<b>Resource/Staffing Implications</b>	Internal Audit services for the IJB will be provided by the Council's Internal Audit team. There are staff and other resources currently in place to achieve the IJB Internal Audit Annual Plan 2016/17 and to meet its objectives.

## Approved by

<b>Name</b>	<b>Designation</b>
Jill Stacey	Chief Internal Auditor, Scottish Borders Health and Social Care Integration Joint Board (the Council's Chief Officer Audit & Risk)

## Author(s)

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