

Scottish Borders Health & Social Care  
Integration Joint Board Audit Committee



Meeting Date: 8 June 2020

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**INTERNAL AUDIT ANNUAL ASSURANCE REPORT 2019/20**

<b>Purpose of Report:</b>	To present to the Members of the SBIJB Audit Committee the Internal Audit Annual Assurance Report for the year to 31 March 2020 for the Scottish Borders Health and Social Care Integration Joint Board (SBIJB) which includes the Chief Internal Auditor's independent assurance opinion on the adequacy of SBIJB's overall control environment.
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<b>Recommendations:</b>	The Scottish Borders Health & Social Care Integration Joint Board Audit Committee is asked to consider the Internal Audit Annual Assurance Report 2019/20 for the Scottish Borders Health and Social Care Integration Joint Board (Appendix 1), and assurances contained therein, and to provide any commentary thereon.
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<b>Personnel:</b>	<p>The Internal Audit service to SBIJB is provided by Scottish Borders Council's Internal Audit team. The staff who performed the SBIJB Internal Audit work hold relevant professional qualifications and have the necessary experience, knowledge, skills and competencies (such as the Code of Ethics set out in the Public Sector Internal Audit Standards (PSIAS)).</p> <p>The SBIJB Internal Audit Annual Plan 2019/20 approved by the IJB Audit Committee on 11 February 2019 was based on the assumption that Scottish Borders Council's Internal Audit function provides 45 days to support the delivery of the Plan. The SBIJB Chief Internal Auditor provided an update to the SBIJB Audit Committee on 9 December 2019 on the progress being made on delivery of the 2019/20 Plan. A summary of the Internal Audit work that was undertaken during the year that supports the annual opinion is stated in Appendix 1.</p>
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<b>Carers:</b>	There is no direct impact on carers arising from the contents of this report.
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Equalities:	There are no direct equalities and diversities implications arising from the contents of this report.
Financial:	There are no direct financial implications arising from the contents of this report.
Legal:	<p>The Scottish Borders Health and Social Care Integration Joint Board (SBIJB), established as a separate legal entity as required by the Public Bodies (Joint Working) (Scotland) Act 2014, is responsible for the strategic planning and commissioning of a wide range of integrated health and social care services across the Scottish Borders partnership area, based on resources which have been delegated to it by the partners, Scottish Borders Council and NHS Borders.</p> <p>The SBIJB is therefore expected to operate under public sector good practice governance arrangements which are proportionate to its transactions and responsibilities to ensure the achievement of the objectives of Integration. The establishment of robust Risk Management and Audit arrangements is one of the key components of good governance and will be critical to the capacity of the SBIJB to function effectively.</p>
Risk Implications:	<p>The PSIAS require Internal Audit to evaluate the effectiveness of the SBIJB's Risk Management arrangements and contribute to improvements in the process. Key components of the audit planning process include a clear understanding of the SBIJB's functions, associated risks, and potential range and breadth of audit areas for inclusion within the Plan to provide the audit opinion. Internal Audit work carried out has been risk-based and, where appropriate, has tested the management of risk by the SBIJB of the delegated resources.</p> <p>Internal Audit provides assurance to SBIJB Management, Audit Committee and the Board on the adequacy and effectiveness of internal controls and governance within the SBIJB, including risk management, and to highlight good practice and recommend improvements.</p> <p>It is anticipated that improvements in the management and mitigation of risks will arise as a direct result of SBIJB Management implementing the Internal Audit recommendations that are outstanding from previous years.</p> <p>In addition to its own governance arrangements, the SBIJB places reliance on the governance arrangements adopted by NHS Borders and Scottish Borders Council, the partners. Where appropriate, existing mechanisms embedded within both NHS Borders and Scottish Borders Council will be used to provide assurance to the SBIJB.</p>

## **Background**

- 1.1 The Public Sector Internal Audit Standards (PSIAS) require the SBIJB's Chief Internal Auditor to prepare an annual report that incorporates the opinion on the adequacy and effectiveness of Scottish Borders Health and Social Care Integration Joint Board's framework of governance, risk management and control, a summary of the work that supports the opinion, and a statement on conformance with the PSIAS.
- 1.2 The Internal Audit Annual Assurance Report 2019/20 for the Scottish Borders Health and Social Care Integration Joint Board (Appendix 1) provides assurances in relation to the SBIJB's corporate governance framework that is a key component in underpinning delivery of the SBIJB's strategic priorities and has been used to inform the Chief Officer's Annual Governance Statement 2019/20.