

Scottish Borders Health and Social Care Integration Joint Board Audit Committee – self-assessment of Effectiveness 9 March 2020

| Areas where the Audit Committee can add value by supporting improvement | Examples of how the audit committee can add value and provide evidence of effectiveness | Self-evaluation, examples, areas of strength and weakness | Overall assessment 5-1 See key below |
|---|---|---|--------------------------------------|
| 1. Promoting the principles of good governance and their application to decision making | Supporting development of local code of governance. Providing robust review of the Annual Governance Statement (AGS) and the assurances underpinning it. Working with key members to improve their understanding of the AGS and their contribution to it. Supporting audits of governance arrangements. Participating in self-assessments of governance arrangements. Working with partner audit committees to review governance arrangements in partnerships. | Committee scrutinised Local Code of Corporate Governance and AGS. Opportunity for Members to engage with officers to clarify matters. Committee supports the role of audit in improving internal control and governance. Committee received presentations and reports from Management and Auditors. Chairs of IJB, SBC and NHS Borders Audit Committees met to share practices. | 4 (4 2018/19) |
| 2. Contributing to the development of an effective control environment. | Actively monitoring the implementation of recommendations from auditors. Encouraging ownership of the internal control framework by appropriate managers. Raising significant concerns over controls with appropriate senior managers. | Committee received periodic progress reports from Auditors e.g. follow-up activity. CO / CFO attended Committee meetings to discuss progress with improvement actions. National Reports shared with Committee to learn from others and understand context. | 4 (4 2018/19) |
| 3. Supporting the establishment of arrangements for the governance of risk and for effective arrangements to manage risks. | Reviewing risk management arrangements and their effectiveness, e.g. risk management benchmarking. Monitoring improvements. Holding risk owners to account for major/strategic risks. | Committee received Annual Reports from Auditors providing opinion on risk management arrangements. 6-monthly reviews of IJB Strategic Risk Register reported to full IJB Board as recommended by Committee. | 4 (3 2018/19) |
| 4. Advising on the adequacy of the assurance framework and considering whether assurance is deployed efficiently and effectively. | Specifying its assurance needs, identifying gaps or overlaps in assurance. Seeking to streamline assurance gathering and reporting. Reviewing the effectiveness of assurance providers, e.g. internal audit, risk management, external audit. | Induction programme outlined Governance and Assurance Framework and Audit Cycle. Annual Strategies, Plans and Reports received from Auditors for assurance purposes. | 4 (4 2018/19) |

Scottish Borders Health and Social Care Integration Joint Board Audit Committee – self-assessment of Effectiveness 9 March 2020

| Areas where the Audit Committee can add value by supporting improvement | Examples of how the audit committee can add value and provide evidence of effectiveness | Self-evaluation, examples, areas of strength and weakness | Overall assessment 5-1 See key below |
|---|--|--|---|
| 5. Supporting the quality of the internal audit activity, particularly by underpinning its organisational independence. | Reviewing the audit charter and functional reporting. Assessing the effectiveness of internal audit arrangements, providing constructive challenge and supporting improvements. Actively support Internal Audit improvements (QAIP). | Committee places reliance on SBC's A&S Committee to approve Internal Audit Charter and confirm conformance with PSIAS (QAIP). IJB Internal Audit Annual Plans and Annual Assurance Reports are received for review. | 4 (4 2018/19) |
| 6. Aiding the achievement of the authority's goals and objectives through helping to ensure appropriate governance, risk, control and assurance arrangements. | Reviewing how the governance arrangements support the achievement of sustainable outcomes. Reviewing major projects and programmes to ensure governance and assurance arrangements are in place. Reviewing the effectiveness of performance management arrangements. | Auditors provided assurance on transformation, efficiencies and performance management arrangements. Committee scrutinised annual accounts and report including Management Commentary on performance and outcomes. | 4 (3 2018/19) |
| 7. Supporting the development of robust arrangements for ensuring value for money. | Ensuring that assurance on value for money arrangements is included in the assurances received by the audit committee. Considering how performance in value for money is evaluated as part of the Annual Governance Statement. | Auditors provided assurance on value for money arrangements e.g. transformation, sustainability, and performance management. AGS sets out the Governance Framework including arrangements for best value. | 3 (3 2018/19) |
| 8. Helping the authority to implement the values of good governance, including effective arrangements for countering fraud and corruption risks. | Reviewing arrangements against standards in CIPFA's <i>Managing the Risk of Fraud and Corruption</i> (2014). Reviewing fraud risks and the effectiveness of the organisation's strategy to address those risks. Assessing the effectiveness of ethical governance arrangements for both staff and governance bodies. | Reliance is placed on the arrangements for countering fraud and corruption within operational arrangements of partners who deliver the services commissioned by the IJB. Chairs of IJB, SBC and NHS Borders Audit Committees met to share practices. | 4 (3 2018/19) |
| 9. Promoting effective public reporting to the authority's stakeholders and local community and measures to improve transparency and accountability. | Improving how the authority discharges its public reporting responsibilities e.g. audience, plain English. Reviewing whether decision making through partnership organisations remains transparent and publicly accessible and encouraging transparency. Publishing a Committee annual report. | Committee scrutinised annual accounts and report prior to publication and audit, and commented on the format/content for users – unaudited (June); audited (September) along with Annual Audit Report. Audit Committee annual report to IJB. | 4 (4 2018/19) |

| Assessment key | |
|----------------|--|
| 5 | Clear evidence is available from a number of sources that the committee is actively supporting improvements across all aspects of this area. The improvements made are clearly identifiable. |
| 4 | Clear evidence from some sources that the committee is actively and effectively supporting improvement across some aspects of this area. |
| 3 | The committee has had mixed experience in supporting improvement in this area. There is some evidence that demonstrates their impact but there are also significant gaps. |
| 2 | There is some evidence that the committee has supported improvements, but the impact of this support is limited. |
| 1 | No evidence can be found that the audit committee has supported improvements in this area. |