

Below is the list of Internal Audit reports by partners' Internal Audit providers (SBC Internal Audit for Scottish Borders Council; Grant Thornton for NHS Borders from second half of 2019/20 and first half of 2020/21) that have been presented to their respective Audit Committees which are relevant to SBIJB for assurance purposes, with a summary of assurances contained therein.

Partner Committee	Audit Title	Audit Objective	Internal Audit Summary Findings and Conclusions
<p>Scottish Borders Council Audit and Scrutiny Committee</p> <p>25 November 2019</p> <p>(Source: Agenda, Reports and Minutes published on website modern.gov)</p>	<p>Attendance Management</p>	<p>To ensure there are adequate controls in place to manage short and long term absences to minimise the impact on service delivery.</p>	<p>Substantial assurance for Policy and Procedures and Limited assurance for Processes (monitoring, reporting &amp; action planning) and Managers training.</p> <p>The policies and procedures for attendance management are readily available on the intranet and were last updated in February 2018, though they require further update. Our review showed that less than 5% of current (525) Line Managers have completed any kind of attendance management training during the last 3 years.</p> <p>Two recommendations (2 Medium) have been agreed with Management to improve compliance with policies in practice.</p>
<p>Scottish Borders Council Audit and Scrutiny Committee</p> <p>10 February 2020</p> <p>(Source: Agenda, Reports and Minutes published on website modern.gov)</p>	<p>Health and Safety</p>	<p>To assess whether the Council is complying with relevant Health and Safety legislation, has a structured approach to Health and Safety awareness, including the use of the new Health and Safety Management system (LEXI), to ensure there are adequate and effective controls in place for health and safety (H&amp;S).</p>	<p>Substantial assurance for Policy, Procedures &amp; LEXI system; and Limited assurance for the Application through Processes and Training. There is scope for improvement on the 2<sup>nd</sup> line of defence of H&amp;S compliance and monitoring such as: develop reporting from the LEXI system; consider mandatory training; disseminate H&amp;S information; reporting to Senior Management and Elected Members.</p> <p>Two recommendations (2 Medium) have been agreed with Management to address internal control issues raised. Managers and Staff will be responsible for compliance with policies and undertaking training to apply these in practice.</p>

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<p>Scottish Borders Council Audit and Scrutiny Committee</p> <p>10 February 2020  (cont'd)</p>	<p>Adult Social Care - Learning Disability Service</p>	<p>To assess whether governance and accountability arrangements for Adults with Learning Disabilities ensure obligations are met to deliver integrated social work and health learning disability services via partnership working.</p>	<p>Good practice was found: Extensive work has been completed in relation to the transition process from children to adults.</p> <p>Substantial assurance for overall governance, budgetary management, procurement and contract management, partnership working, and risk management, and Limited assurance for review of policies and procedures, and mandatory training. Two recommendations (2 Medium) have been agreed with Management to address internal control issues raised.</p>
<p>Scottish Borders Council Audit and Scrutiny Committee</p> <p>10 March 2020  (Source: Agenda, Reports and Minutes published on website modern.gov)</p>	<p>Property Asset Management</p>	<p>To gain assurance that the Council has a structured Property Management Framework and an associated property maintenance programme for its buildings, other property and facilities to ensure they are fit for purpose, and has accurate records to demonstrate efficient and effective use.</p>	<p>Comprehensive assurance. Areas of good practice were found, covering: Property Management Framework which complies with procurement standards; Condition Survey inspection policy and practices within a five year cycle with results recorded in Technology Forge system that is used to inform the allocation of the Revenue and Capital budget; Effective budget monitoring; and Appropriate Performance measurement and reporting. No recommendations.</p>
	<p>Corporate Transformation Programme: Fit for 2024</p>	<p>To review the new governance and accountability arrangements of the Fit for 2024 corporate transformation programme structure, including processes for benefit (financial and other) identification, tracking and realisation (return on investment and value for money) and evaluation of outcomes and lessons learned.</p>	<p>Programme and project management arrangements have been developed which reflect more fully the interconnected nature of transformational activity; Finance, HR and IT Business Partners and Business Support work together. Staff and partner engagement sessions have taken place or are underway in alignment with the phases of the Service Reviews. There was focus on what implementation plans and assumptions there are within Fit for 2024 for Years 2-5 as part of the budget process. Processes are in place to ensure that progress with delivery of projects within Fit for 2024 are monitored and reported, including evidence of appropriate scrutiny and oversight.</p> <p>Substantial assurance. Three recommendations (2 Medium; 1 Low) have been agreed with Management to assist with the efficient and effective delivery of Fit for 2024 programme.</p>

Partner Committee	Audit Title	Audit Objective	Internal Audit Summary Findings and Conclusions
Scottish Borders Council Audit and Scrutiny Committee  10 March 2020  (cont'd)	ICT Security	To assess the adequacy of the ICT security arrangements including: physical and environmental controls; disaster recovery; third party access; operational controls (change / incident / problem management) and business applications, to ensure they are designed appropriately and that all parties are adhering and complying with them. Review of Public Services Network (PSN) compliance and Cyber Essentials requirements.	Areas of good practice were found, including: a security management plan covers the scope in the SBC/CGI contract; third party access is effectively managed and controlled; and the process to apply software patches is effectively controlled. Whilst a IT Disaster Recovery Policy and Plan exist, review and testing of the Plan had been limited due to the imminence of the transfer to a new Data Centre.  Substantial assurance. Two recommendations (2 Medium) have been agreed with Management to mitigate the risks of inappropriate use of IT accounts by former employees and incurring avoidable costs in subscription licences
	Information Governance	To examine the Information Governance Framework including roles and responsibilities, review policy development and implementation, assess compliance with legislation, and provide annual assurance to the Senior Information Risk Owner and Data Protection Officer.	The Information Governance Group (IGG) continued to meet quarterly throughout the year with formal agendas and minutes scheduled around 4 themes (Information Governance; Records Management; Information Security and Information Sharing; Data Protection and Information Access).  Substantial assurance. No recommendations as Management Actions are underway to ensure that the mandatory training completion rate is achieved and to improve attendance at IGG meetings of staff from Services with low completion rates.
	Internal Audit Charter	To define the purpose, authority and responsibility of the Internal Audit activity, consistent with the Definition of Internal Auditing, the Code of Ethics and the Standards in the PSIAS.	The Internal Audit Charter has been updated in conformance with the PSIAS for approval by the Audit and Scrutiny Committee to ensure that Internal Audit is tasked to carry out its role in accordance with best practice.
	Internal Audit Strategy and Plan 2020/21	To set out the Council's assurance framework and the Chief Audit Executive's strategy for discharging the Internal Audit role and providing the necessary annual assurance opinions, and propose the planned programme of Internal Audit work for the year.	The Internal Audit Strategy to meet the Internal Audit Charter and the proposed Internal Audit Annual Plan 2020/21 that sets out the range and breadth of audit areas and sufficient work within the audit programme of work to enable the CAE to prepare an Internal Audit annual opinion. Key components of the audit planning process include a clear understanding of the organisation's functions, associated risks, and assurance framework.

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<p>Scottish Borders Council Audit and Scrutiny Committee</p> <p>23 June 2020</p> <p>(Source: Agenda, Reports and Minutes published on website modern.gov)</p>	<p>Contracting and Procurement</p>	<p>To assess the procurement processes and internal controls to ensure these adequately address the key risks, and to assess compliance with the procurement framework and adequacy of contract monitoring.</p>	<p>The Commercial and Commissioned Services Strategy sets out the role of strategic procurement in supporting the need to 'do more with less' and with the challenges that the Council faces requires an imaginative and commercially-focused approach to how the supply chain and suppliers are engaged and managed.</p> <p>Substantial assurance. Three recommendations (2 Medium; 1 Low) have been agreed with Management to make improvements, such as updating procurement standing orders, enhancing Management oversight and scrutiny of procurement activity, and completing staff training.</p>
	<p>Business World ERP System Key Internal Controls</p>	<p>Integration of 4 audits 2019/20 relating to the workstreams (Record to Report; Procure to Pay; Payroll including Pension Payments &amp; HR; Sales to Cash) to test the end to end processes and internal controls in place during the period April 2019 to February 2020.</p>	<p>Comprehensive Assurance (Payroll / HR), Substantial Assurance (Procure to Pay; Sales to Cash; Record to Report; Systems Documentation and Training Materials) and Limited Assurance (GL07; Expenses; System Roles / User Access).</p> <p>Eight recommendations (5 Medium; 3 Low) have been agreed with Management to make improvements (5 P2P; 1 S2C; 2 Payroll / HR).</p>
	<p>Internal Audit Annual Assurance Report 2019/20</p>	<p>To provide the statutory annual internal audit opinion on the adequacy of the Council's overall control environment.</p>	<p>The systems of internal control, governance and risk management within the Council are operating satisfactorily. A common theme from Internal Audit findings during the year was the importance of Management ensuring that staff undertake training on a wide variety of topics to ensure that they have the up-to-date knowledge to fulfil their role, and to mitigate any associated risks. Internal Audit reports during the year confirm improvements in internal controls, governance, and risk management through Management-initiated improvements complemented by the implementation of audit recommendations. Reasonable assurance can be provided on the adequacy of the internal controls and governance arrangements in place. Opinion has been used to inform the Chief Executive's Annual Governance Statement 2019/20.</p>

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<p>Scottish Borders Council Audit and Scrutiny Committee</p> <p>28 September 2020</p> <p>(Source: Agenda, Reports and Minutes published on website modern.gov)</p>	Asset Registers	<p>To consider the adequacy of systems, processes and controls that are in place to ensure complete and accurate records of all Property, Fleet, and IT assets that underpin Asset Management Plans to deliver Council's strategies, plans and priorities, including the data migration and transition to utilising Technology Forge Cloud.</p>	<p>Substantial assurance. Areas of good practice were found, including: Regular reconciliations; complete and accurate Data Migration; and review of assets. There is, however, some scope for improvement in the formalisation of SAMPs for IT and Fleet assets and development of a SAMP for Property assets in line with best practice. No recommendations as there are Management Actions underway.</p>
	Cyber Essentials	<p>To examine the self-evaluation and evidence associated with Cyber Essentials requirements.</p>	<p>Comprehensive assurance. The Council is required to obtain Cyber Essentials certification each year. The certification process reviews the Council's corporate network and security arrangements. The process certifies that the Council meets a level of security which minimises the risk of vulnerability to common security attacks. Some improvements in a few, relatively minor, areas were identified during the review by the certifying body and these have been addressed.</p>
<p>Scottish Borders Council Audit and Scrutiny Committee</p> <p>22 October 2020</p> <p>(Source: Agenda, Reports and Minutes published on website modern.gov)</p>	Performance Management (LGBF)	<p>To validate the Council's Performance Indicators which are reported on an annual basis to the Improvement Service as part of the Local Government Benchmarking Framework (LGBF).</p>	<p>Substantial assurance. The final figures for the 11 (Corporate; Corporate Assets; Culture &amp; Leisure; and Environment) performance indicators provided and reported in the LGBF return 2019/20 are reasonable and accurate, after noted amendments. The individual data collection methods applied by the Services are adequate though there is scope for improvement in the process and Management oversight (previous year outstanding recommendation) to ensure data is complete, accurate and provided on time.</p>
	Social Work Locality Payments	<p>To assess the internal financial controls and business administrative procedures in place to ensure the efficient and effective use of resources, including evaluation of the systems and processes. This review focused on the policies, procedures and processes required for the administration of allpay cards for Social Work (SW) Localities as a result of the COVID-19 pandemic.</p>	<p>Comprehensive assurance. The Service reacted quickly to a unique fast changing situation in order to continue making financial support payments to both Corporate Appointees and recipients of Section payments; there is recognition of the shift from cash to electronic methods which is still progressing. Some system enhancements in a few, relatively minor, areas had been identified and were being explored by Management. No recommendations were made.</p>

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<p>NHS Borders Audit Committee</p> <p>12 December 2019</p> <p>(Source: Minutes of meeting on NHS Borders website)</p>	<p>Audit Follow-Up Report</p>	<p>Planned follow-up on progress by Management with implementation of Internal and External Audit recommendations.</p>	<p>Reported that for both Internal and External Audit recommendations a total of 22 had been implemented and could be closed, 13 were ongoing with revised dates for implementation and 8 were not yet due. Managers would be held to account and asked to attend the Audit Committee should they not meet the revised deadlines. Assurance that the higher risk recommendations had been implemented.</p>
	<p>Internal Audit Report – GDPR and Information Governance</p>	<p>Planned assurance audit 2019/20.</p>	<p>Partial level of assurance in respect of GDPR and Information Governance controls with improvement required. One medium-rated and two low-rated recommendations. There are good practices in place and good work has taken place. Areas which require improvement, namely the completion rate of the Information Governance training module to ensure staff are suitably trained in Information Governance and GDPR and the Information Asset Register remaining actions.</p>
	<p>Internal Audit Report – Public Involvement and Engagement</p>	<p>Planned assurance audit 2019/20.</p>	<p>Partial level of assurance with improvement required. Two medium-rated and one low-rated recommendations. Highlighted that although areas for improvement were noted, it was recognised that NHS Borders are aware of the importance of public involvement and engagement to give patients and the public an opportunity to say how best to deliver health services in the Borders.</p>
	<p>Internal Audit Report – Review of Board Supporting Committee’s Governance</p>	<p>Planned assurance audit 2019/20.</p>	<p>Partial level of assurance with improvement required. One high-rated, four medium-rated and two low-rated recommendations. Recognised that work had taken place at the Board Development session on 7th November 2019 where there had been a review of all the Governance Committees.</p>

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<p>NHS Borders Audit Committee</p> <p>23 March 2020</p> <p>(Source: Minutes of meeting on NHS Borders website)</p>	Internal Audit Report – Risk Management	Planned assurance audit 2019/20.	Partial level of assurance with improvement required and included a high risk-rated recommendation which was in all cases the risk management process is not being followed. The audit recommendations will be monitored through the audit follow-up process and the Director of Public Health has been asked to provide an update report to the Committee in 6 month’s time.
	Internal Audit Report – Budget Setting Arrangements	Planned assurance audit 2019/20.	The Committee noted the report which was rated as providing assurance with improvement required.
	Internal Audit Report – Blueprint for Good Governance	Planned assurance audit 2019/20.	The Committee noted the report which was rated as providing assurance with improvement required.
	Internal Audit Report – Duty of Candour	Planned assurance audit 2019/20.	The Committee noted the report which was rated as providing assurance with improvement required.
	Internal Audit Plan for 2020/21	Planned programme of Internal Audit work for the year.	Audit Committee members had a session with Internal Audit on the 17th February 2020 providing an opportunity to comment on the draft plan. The Internal Audit Plan for 2020/21 was approved.

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<p>NHS Borders Audit Committee</p> <p>15 June 2020</p> <p>(Source: Minutes of meeting on NHS Borders website)</p>	<p>Internal Audit Report – Engagement and Ongoing Transformation</p>	<p>Planned assurance audit 2019/20.</p>	<p>Concluded that the processes provide a significant level of assurance with some improvement required. Confirmed that there had been good progress with Financial Turnaround across the organisation to drive forward improvements.</p>
	<p>Internal Audit Plan Progress Update</p>	<p>Update on delivery of Plan 2019/20</p>	<p>The Health &amp; Social Care Integration audit was noted as the only audit outstanding from the 2019/20 Internal Audit Plan. This had been deferred until 2020/21 as per agreement with the Director of Finance.</p> <p>The Committee emphasised the importance of this audit being undertaken but appreciated that the scope may require to be revisited.</p>
	<p>Internal Audit Annual Report 2019/20</p>	<p>Provide the statutory annual internal audit opinion on the adequacy of NHS Borders’ governance, internal controls and risk management.</p>	<p>The report captured and summarised all the work undertaken during 2019/20. Internal Audit opinion stated that reasonable assurance can be given on the overall adequacy and effectiveness of the organisation’s framework of governance, risk management and control. Of the 8 reviews performed in 2019/20, Internal Audit issued 1 ‘Significant Assurance’ and 7 ‘Partial Assurance’ reports and raised 29 recommendations. Of these, 2 were classified as high risk and both were in relation to Risk Management arrangements. Expected these to be referred to within the Governance Statement of NHS Borders.</p>
	<p>2020/21 Internal Audit Plan Update</p>	<p>Update on the Planned programme of Internal Audit work for the year in light of Covid-19 pandemic.</p>	<p>The report provided an update on how Covid-19 pandemic has impacted on Grant Thornton with people working remotely for the majority of audits. Due to Covid-19 three potential areas for audit were being suggested (Governance, Covid Financial Controls, and Changes in Internal Control).</p> <p>The Committee noted the update and agreed that the original plan should be followed and to integrate these suggestions into the audits already within the plan.</p>

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<p>NHS Borders Audit Committee</p> <p>14 September 2020</p> <p>(Source: Chair’s Audit Committee Update to the Board 24 September 2020 on NHS Borders website)</p>	<p>Audit Follow Up Report</p>	<p>Planned follow-up on progress by Management with implementation of audit recommendations.</p>	<p>It was noted that a number of recommendations have been brought forward from previous audits going as far back as 2014/15. These are of low and medium risk.</p> <p>The Committee asked that the Board Executive Team provide specific focus to progress these actions which will be reviewed through the audit follow up process and an update report will be received at the December 2020 Audit Committee.</p>
	<p>2020/21 Internal Audit Plan Update</p>	<p>Further update on the Planned programme of Internal Audit work for the year in light of Covid-19 pandemic.</p>	<p>The Committee noted that the Internal Audit Plan had been flexed to accommodate the availability of the management team during the Covid19 pandemic. The Committee will receive three final audit reports at its meeting in December 2020, namely Estates and Facilities, Delayed Discharges (IJB) and Pharmacy Contracts. In regard to the Financial Transformation audit due to be undertaken in February 2021, it was recognised that circumstances have changed and there will be further discussion with Internal Audit on how this audit will be progressed.</p>
	<p>Internal Audit Charter 2020/21</p>	<p>To define the purpose, authority and responsibility of the Internal Audit activity, consistent with the Definition of Internal Auditing, the Code of Ethics and the Standards in the PSIAS.</p>	<p>The Committee received the Internal Audit Charter for 2020/21 which sets out how Internal Audit complies with public sector standards.</p>

The SBIJB Chief Internal Auditor will take account of these assurances from partners’ Internal Audit providers to provide Internal Audit assurance to the SBIJB.