

*Scottish Borders Health & Social Care
Integration Joint Board Audit Committee*



Meeting Date: 19 December 2022

Report By:	Jill Stacey, SB IJB Chief Internal Auditor
Contact:	Jill Stacey (Scottish Borders Council's Chief Officer Audit & Risk; SB IJB Chief Internal Auditor)
Telephone:	01835 825036 / 07824 431003
PROGRESS ON IMPLEMENTATION OF INTERNAL AUDIT RECOMMENDATIONS	
Purpose of Report:	To provide an update to Members of the IJB Audit Committee on the status of the implementation by Management of recommendations made and agreed in the Internal Audit Annual Assurance Reports 2020/21 and 2021/22 for the Scottish Borders Health and Social Care Integration Joint Board.
Recommendations:	The Scottish Borders Health & Social Care Integration Joint Board Audit Committee is asked to: <ul style="list-style-type: none"> (a) Note the current status of progress made by Management in implementing Internal Audit recommendations to improve internal controls and governance, and mitigate risks; (b) Agree to the revised due dates of three of the Internal Audit recommendations requested by the IJB Chief Officer; and (c) Notes that Internal Audit will continue to monitor for completion the open Internal Audit recommendations and will provide update reports to this Committee.
Personnel:	The Internal Audit service to SBIJB is provided by Scottish Borders Council's Internal Audit team which reflects the Council's contribution of corporate support resources to partnership working. Staff assigned to perform 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)) needed to deliver the plan.
Carers:	There is no direct impact on carers arising from the contents of this report.
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>Internal Audit provides assurance to SB IJB Management and the Audit Committee on the adequacy and effectiveness of internal controls and governance within the Council, including risk management, highlights good practice and makes recommendations.</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 made during the year or 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.</p>

1 Background

- 1.1 The Internal Audit activity adds value to the organisation (and its stakeholders) when it considers strategies, objectives, and risks; strives to offer ways to enhance governance, risk management and control processes (by way of making audit recommendations); and objectively provides relevant assurance.
- 1.2 Management has the responsibility for ensuring that agreed audit actions are implemented to address any identified weaknesses or improvement in governance and internal controls and to mitigate risks. At Internal Audit Final Report stage, the Audit Recommendations are input to Pentana, the Council's corporate performance management system. This is designed to assist with Management tracking of implementation, link with relevant risks and evidence continuous improvement.
- 1.3 The Remit of the IJB Audit Committee includes the function to "receive reports and oversee and review progress on actions taken on audit recommendations and report to the IJB on these as appropriate", as part of its high level oversight of the framework of internal control, risk management and governance within the Scottish Borders Health and Social Care Integration Joint Board. The Internal Audit Recommendations were included within the Internal Audit Annual Assurance Report 2021/22 that was presented to the IJB Audit Committee on 20 June 2022.

- 1.4 Internal Audit continues to perform its standard quarterly follow-up activity to check that audit recommendations have been implemented and to ensure that the new arrangements had the desired effect on improving internal control and governance, and reducing risk. Internal Audit meets regularly with the IJB Management to address any audit actions, and the IJB Chief Internal Auditor brings any matters to the attention of the IJB Audit Committee on a 6-monthly basis.

2 Progress Update

- 2.1 There are currently four In-Progress Internal Audit recommendations for the Scottish Borders Integration Joint Board, all of which were those included within the Internal Audit Annual Assurance Report 2021/22 that was presented to the IJB Audit Committee on 20 June 2022. Two of which were brought forward from the previous year's report 2020/21 as they were not yet completed.
- 2.2 The IJB Chief Internal Auditor has met with the IJB Chief Officer on a monthly basis to ensure awareness of the four In-Progress Internal Audit recommendations. These meetings have included the IJB Chief Finance Officer since her permanent appointment in August 2022. The current status as at October 2022 for each of the four In-Progress Internal Audit recommendations is shown in Appendix 1.
- 2.3 The No.1 Internal Audit recommendation (2020/21) on Workforce Planning was completed on 31 October 2022 following IJB approval to the Integrated Workforce Plan 2022 to 2025; whilst this was beyond the original due date of 31 July 2022, the revised completion deadline issued by the Scottish Government was achieved. Progress has been made in respect of actions to address the other three Internal Audit recommendations (No.2 (2020/21) Progress review of MSG Actions / Best Value areas of improvement, No.3 (2021/22) Communications & Consultation Strategy refresh, and No.4 (2021/22) Additions to Decision Making Report Templates); however, capacity constraints and focus on other priorities means that these are expected to be completed beyond the original agreed due dates. The IJB Chief Officer has requested extensions to due dates of 31 March 2023, 31 March 2023 and 31 December 2022 respectively to ensure these represent realistic timescales for their full implementation. These have been approved by Internal Audit based on the activity already underway and further work planned to fully implement these recommendations. The Pentana system has been updated to reflect this. The IJB Audit Committee is asked to endorse this.
- 2.4 A further update on progress with the implementation of Internal Audit recommendations will be included within the Internal Audit Annual Assurance Report 2022/23 for the Scottish Borders Health and Social Care Integration Joint Board, which is scheduled for presentation to the IJB Audit Committee in June 2023.