**AGENDA ITEM NO: 4**

| | | | |
|---|---|---|---|
| **Report To:** | **Inverclyde Integration Joint Board Audit Committee** | **Date:** | **11 September 2018** |
| **Report By:** | **Corporate Director (Chief Officer) Inverclyde Health & Social Care Partnership** | **Report No:** | **IJBA/05/2018/AP** |
| **Contact Officer:** | **Andi Priestman** | **Contact No:** | **01475 712251** |

**Subject: INTERNAL AUDIT PROGRESS REPORT – 26 FEBRUARY TO 17 AUGUST 2018**

## 1.0 PURPOSE

1.1 The purpose of this report is to enable IJB Audit Committee members to monitor the performance of Internal Audit and gain an overview of the IJB's overall control environment.

1.2 The report also presents an update on the Internal Audit work undertaken at Inverclyde Council and NHS Greater Glasgow and Clyde (NHSGGC) between 26 February and 17 August 2018 that may have an impact upon the IJB's control environment.

## 2.0 SUMMARY

2.1 There was one internal audit report finalised since the last Audit Committee meeting in March 2018:

- Workforce Planning Arrangements

2.2 The fieldwork for the 2017/2018 plan is complete.

2.3 In relation to Internal Audit follow up, there were 4 action plans due for completion by 31 July 2018 of which 2 actions have been reported as complete and dates in relation to 2 actions have been revised. The current status report is attached at Appendix 1.

2.4 In addition, since the last Audit Committee meeting in March 2018, a number of Internal Audit Reports have been reported to Inverclyde Council and NHSGGC which are relevant to the IJB Audit Committee. These are set out in Section 5 of this report.

2.5 Actions have been agreed with management and Internal Audit within Inverclyde Council and NHSGGC undertake follow up of actions in accordance with agreed processes and report on progress to the respective Audit Committees.

## 3.0 RECOMMENDATIONS

3.1 It is recommended that IJB Audit Committee members agree to note the progress made by Internal Audit in the period from 26 February and 17 August 2018.

**Louise Long**
**Chief Officer Inverclyde Health & Social Care Partnership**

## 4.0 BACKGROUND

4.1 In September 2017, the Audit Committee approved the current Internal Audit Annual Plan which detailed the activity to be undertaken during 2017-18.

4.2 Internal Audit reports findings and action plans to relevant IJB Officers and the Audit Committee as part of the annual audit plan. A follow up process is in place to allow follow up of current internal audit actions to be co-ordinated and updated by Internal Audit on a monthly basis with regular reporting to the Audit Committee.

4.3 In each audit, one of 4 overall opinions is expressed:

| | |
|---|---|
| **Strong** | In our opinion there is a ***sound*** system of internal controls designed to ensure that the organisation is able to achieve its objectives. |
| **Satisfactory** | In our opinion ***isolated*** areas of control weakness were identified which, whilst not systemic, put some organisation objectives at risk. |
| **Requires improvement** | In our opinion ***systemic and/or material*** control weaknesses were identified such that some organisation objectives are put at significant risk. |
| **Unsatisfactory** | In our opinion the control environment was considered ***inadequate*** to ensure that the organisation is able to achieve its objectives. |

4.4 Individual audit findings are categorised as Red, Amber or Green:

| | |
|---|---|
| **Red** | In our opinion the control environment is insufficient to address the risk and could impact the organisation as a whole. Corrective action must be taken and should start immediately. |
| **Amber** | In our opinion there are areas of control weakness which we consider to be individually significant but are unlikely to affect the organisation as a whole. |
| **Green** | In our opinion our audit highlighted areas for minor control improvement and/or areas of minor control weakness. |

4.5 A summary is also provided in relation to internal audit work undertaken at Inverclyde Council and NHS Greater Glasgow and Clyde that may have an impact upon the IJB's control environment.

## 5.0 CURRENT POSITION

5.1 There was one internal audit report finalised since the last Audit Committee meeting in March 2018:

- Workforce Planning Arrangements

## 5.0 CURRENT POSITION (CONTINUED)

5.2 The Inverclyde Integration Joint Board (IJB) overseas the provision of defined services to local residents through its delivery arm, the Inverclyde Health & Social Care Partnership (HSCP). Those services are delivered by a workforce who range from registered professionals to carers and volunteers. June 2017 saw the Inverclyde IJB approve its first three year workforce plan, known as the People Plan. The People Plan must be actively managed in order to realise its various ambitions. At the same time senior officers across the HSCP must respond to a range of pressures such as demographic changes and the need to redesign services.

5.3 The objective of this audit was to provide management and the Audit Committee with an assessment of the adequacy and effectiveness of the governance, risk management and controls surrounding the key risks in relation to workforce planning arrangements.

5.4 The overall control environment opinion for this audit review was **Satisfactory**. One AMBER issue was identified which is summarised as follows:

Managing the People Plan Action Plan

The People Plan Action Plan contains a considerable number of actions which require to be managed by the People Plan Core Group. However, the actions which require to be prioritised within the coming year have not yet been specified.

In addition, there are a range of risks associated with implementing the People Plan Action Plan and it is essential to manage those risks which are most likely to occur and could undermine delivery of the plan. These risks include managing financial constraints and those factors which could collectively hinder the redesign of services. We found that a formal risk management approach has not been applied to the People Plan Action Plan.

5.5 The review identified 2 issues, one of which we consider to be individually significant and an action plan is in place to address all issues by 31 March 2019.

5.6 The fieldwork for the 2017/2018 plan is now complete.

5.7 In relation to Internal Audit follow up, there were 4 items due for completion by 28 February 2018 of which 2 items have been reported as complete and dates in relation to 2 items have been revised. The current status report is attached at Appendix 1.

5.8 **Inverclyde Council – Internal Audit Progress Report Summary**

Since the last Audit Committee meeting in March 2018, the following Internal Audit Report has been reported to Inverclyde Council, which is relevant to the IJB Audit Committee:-

| Audit Report | Report Opinion | Number/Category of Issues | | |
|---|---|---|---|---|
| | | Red | Amber | Green |
| HSCP Commissioning Arrangements (1) | Satisfactory | 0 | 2 | 1 |

## 5.0 CURRENT POSITION (CONTINUED)

5.9 (1) The Inverclyde Integration Joint Board requires the Health & Social Care Partnership (HSCP) to provide local residents with defined services. Directly employed staff and commissioned services are central to the delivery of those services, with commissioned services costing in the region of £35m per year. Commissioning includes a range of activities such as assessing clients' needs, planning services and procuring those services. It is important to have clear commissioning priorities when implementing the overarching Strategic Plan. In this respect senior HSCP officers have produced a Market Facilitation & Commissioning Plan. The traditional "silo" approach to commissioning HSCP services is no longer compatible with the five strategic commissioning themes. Instead, the aim is to meet clients' assessed needs in ways which deliver positive outcomes for them and improve their lives.

The objective of this audit was to provide management and the Audit Committee with an assessment of the adequacy and effectiveness of the governance, risk management and controls surrounding the key risks faced by Inverclyde Council in relation to the HSCP's commissioning arrangements.

The audit identified 2 AMBER issues summarised as follows:

<u>Developing themed strategic commissioning of HSCP services</u>

The HSCP uses a mix of internal and external providers to deliver defined services to local clients. The commissioning of services includes assessing clients' overall care needs. Although HSCP services are organised by function, senior officers commission services using five strategic commissioning themes. Through discussions with staff, we understand that when developing themed strategic commissioning there is a need to examine how best to:

- more closely co-ordinate client assessments and themed commissioning arrangements, especially for clients with multiple care needs;
- avoid unintentionally providing clients with more care than their assessed needs require, which can occur when service provision is inadvertently emphasised over trying to achieve positive outcomes for clients;
- place a greater emphasis on a "bottom-up" rather than "top-down" approach to commissioning services which focuses on improving clients' lives; and
- develop the financial information which underpins commissioning activities. An effective mechanism for allocating client care costs across Team budgets is required for those clients with complex care needs.

In addition, it is necessary to identify changes to relevant policies and procedures to support themed strategic commissioning.

## 5.0 CURRENT POSITION (CONTINUED)

Managing Strategic Commissioning practices

It is important that those HSCP officers who commission and manage services work collaboratively with the Strategic Commissioning Team. We found that there is scope to promote the role of the Strategic Commissioning Team amongst relevant HSCP officers. More specifically, operational officers must be encouraged to always make contact at an early stage whenever they need to change commissioned services and review grants or Service Level Agreements relating to external organisations for commissioned services. Also, relevant HSCP expenditure must be subject to approved commissioning arrangements. Key officers are not entirely certain that this is the case, although this issue is understood to have greatly reduced over the last year.

In addition, the Market Facilitation & Commissioning Plan was approved during March 2018. This plan contains a number of actions and highlights areas which require further development. Whilst we acknowledge that officers have started to implement this plan, there is scope to create a prioritised action plan of key tasks and identify risks to successfully implementing the Plan.

The effectiveness of the HSCP's commissioning arrangements may be reduced without ongoing collaboration between the Strategic Commissioning Team and all relevant HSCP officers.

HSCP expenditure which is incurred without involving the Strategic Commissioning Team may lack the support of formal contracts and not fully comply with established commissioning policies and procedures.

5.10 The review identified 3 issues, 2 of which we consider to be individually significant and an action plan is in place to address all issues by 31 March 2019.

5.11 As part of the Internal Audit Annual report to the IJB Audit Committee, reports rated Unsatisfactory or Requires Improvement will be considered for inclusion within the IJB's annual governance statement as appropriate.

5.12 The Annual Internal Audit Report for Inverclyde Council outlined the internal audit work carried out for the year ended 31 March 2018 and stated that the Chief Internal Auditor was required to provide a written statement to the organisation to inform the Annual Governance Statement. The internal audit work carried out during the year was based on the internal audit annual plan for the year which had been approved by the IJB Audit Committee in September 2017.

The Chief Internal Auditor Opinion was *Generally Satisfactory with some improvement needed.* A few specific control weaknesses were noted: generally however, controls evaluated are adequate, appropriate and effective to provide reasonable assurance that risks are being managed and objectives should be met.

There were no audit reports during 2017-18 rated as Unsatisfactory or Requires Improvement which required to be reported in the Annual Governance Statement.

## 5.0 CURRENT POSITION (CONTINUED)

5.13 In addition, corporate fraud investigations have been undertaken as follows:

| Year/Ref | Enquiry | Status |
|---|---|---|
| 17/18 17-127 | Misuse of Blue Badge | Closed – no fraud detected. |
| 17/18 17-140 | Misuse of Blue Badge | Misuse established. Letter issued. |
| 17/18 17-159 | Misuse of Blue Badge | Misuse established. Letter issued. |
| 17/18 17-163 | Misuse of Blue Badge | Misuse established. Visit to badge holder and advice given. |
| 17/18 17-168 | Misuse of Blue Badge | Misuse established. Badge cancelled. |
| 18/19 18-01 | Misuse of Expired Blue Badge | Misuse established. Letter issued. |
| 18/19 18-05 | Misuse of Blue Badge | Badge seized and misuse letter issued. |
| 18/19 18-06 | Misuse of Blue Badge | Badge seized and misuse letter issued. |
| 18/19 18-13 | Misuse of Blue Badge | Misuse established. Badge cancelled. |
| 18/19 18-16 | Misuse of Blue Badge | Badge seized and misuse letter issued. |
| 18/19 18-20 | Misuse of Blue Badge | Referred to Corporate Fraud team at North Ayrshire Council. |
| 18/19 18-27 | Misuse of Expired Blue Badge | Badge seized and misuse letter issued. BBIS updated. |
| 18/19 18-38 | Misuse of Blue Badge | Referred to North Ayrshire Council. |
| 18/19 18-77 | Misuse of Blue Badge | Badge seized and misuse letter issued. |
| 18/19 18-83 | Misuse of Expired Blue Badge | Badge seized and misuse letter issued. |
| 18/19 18-86 | Misuse of Blue Badge | Badge seized and misuse letter issued. |
| 18/19 18-89 | Misuse of Expired Blue Badge | Badge seized and misuse letter issued. |
| 18/19 18-93 | Misuse of Expired Blue Badge | Badge seized and misuse letter issued. |
| 18/19 18-98 | Misuse of Blue Badge | Badge seized and misuse letter issued. |
| 18/19 18-99 | Misuse of Blue Badge | Badge seized and misuse letter issued. |
| 18/19 18-100 | Misuse of Expired Blue Badge | Badge seized and misuse letter issued. |
| 18/19 18-102 | Misuse of Blue Badge | Misuse letter issued. |
| 18/19 18-118 | Misuse of Blue Badge | Ongoing investigation. |

## 5.0 CURRENT POSITION (CONTINUED)

### 5.14 NHSGGC - Internal Audit Progress Report Summary

Since the last Audit Committee meeting in March 2018, the following Internal Audit Reports have been issued to and agreed by NHSGGC Audit Committee which are relevant to the IJB Audit Committee:-

| Audit Report | Opinion | Number/Category of Issues | | |
|---|---|---|---|---|
| | | High | Medium | Low |
| Key financial controls: payroll | Low | - | - | - |
| Clinical and care governance | Low | - | - | 2 |
| Public Health: screening programmes | Low | - | - | 2 |
| Information Governance | Low | - | 1 | 2 |
| Gifts and hospitality compliance(1) | Medium | - | 3 | 1 |
| Programme management | Low | - | - | 1 |
| Health and safety compliance (2) | Medium | - | 3 | - |
| Corporate risk management | Low | - | 1 | 2 |
| Achieving Financial Balance(3) | Medium | 1 | - | - |
| Financial Planning 2018/19 (4) | Medium | - | 2 | 1 |
| **Total findings** | | **1** | **10** | **11** |

5.15 High Risk indicates findings that could have a:-

- Significant impact on operational performance; or
- Significant monetary or financial statement impact; or
- Significant breach in laws and regulations resulting in significant fines and consequences; or
- Significant impact on the reputation or brand of the organisation.

Medium Risk indicates findings that could have a:-

- Moderate impact on operational performance; or
- Moderate monetary or financial statement impact; or
- Moderate breach in laws and regulations resulting in significant fines and consequences; or
- Moderate impact on the reputation or brand of the organisation.

Low Risk indicates findings that could have a:-

- Low impact on operational performance; or
- Low monetary or financial statement impact; or
- Low breach in laws and regulations resulting in significant fines and consequences; or
- Low impact on the reputation or brand of the organisation.

5.16 A summary of the Medium opinion reports is as follows:

(1) The Directorate for Health Finance of the Scottish Government instructed all Scottish Health Boards to consider a number of actions to provide assurance as to the extent and adequacy of controls that are in place for the notification and recording of gifts and hospitality. These were to commission an internal audit review of the processes for notification and recording of gifts and hospitality; to confirm that hospitality registers are up to date and conform to Standing Financial Instructions; to provide a reminder to staff that they must comply with these SFIs and ensure they are read and understood; and to invite Counter Fraud Services to present to key staff on provisions of the Bribery Act.

## 5.0 CURRENT POSITION (CONTINUED)

PwC's review covered the following areas: the guidance available in the Code of Conduct, additional guidance available to some staff groups (eHealth, Pharmacy, the Area Drugs and Therapeutic Committee and Procurement were considered), reporting and approval, maintenance of the register and governance arrangements.

They noted that there are areas where the current policies and procedures in relation to gifts and hospitality could be improved. The medium risk findings were:

There were aspects of both the staff and Board Members' Codes of Conduct which could be strengthened - no timescale is specified in either Code of Conduct for how quickly declarations should be made following receipt of gifts/hospitality and for Board Members, nor is there a requirement to declare declined gifts/hospitality, which is inconsistent with the staff Code of Conduct.

Some Board members who had joined the Board had not yet completed a declaration of interests; Board Members' interests should be disclosed per the Code of Conduct.

There was no procedure in place to ensure that items of gifts or hospitality are given approval timeously.

(2) This review considered the steps taken by management to progress a sample of actions to address points raised by the Health & Safety Executive (HSE) and also considered the processes across Acute, Partnerships and Property Procurement and Facilities Management (PPFM) for identifying and undertaking investigations into any incidents which must be reported to the HSE under the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations (RIDDOR).

The three medium risk findings were:

- Only the Partnership's H&S team had a formally documented process for the identification, reporting and investigation of RIDDOR incidents and there is an inconsistent approach taken across the Board's three H&S teams for conducting investigations into RIDDOR incidents. As a result of the inconsistencies noted, the processes in place within Acute and PPFM are considered less robust than the process in place within Partnerships;
- From a sample of twenty-five incidents reported to RIDDOR, it was found that seven of these were not reported to HSE within the required timescales;
- There is no consistent process in place to monitor progress against identified recommendations resulting from RIDDOR investigations, to provide oversight that required lessons learned are being taken and on a timely basis.

(3) Whilst the overall rating of this report was medium, there was a high risk finding. In successfully achieving financial balance in the year, the Board relied heavily on the use of non-recurring support. The percentage of total savings achieved which were on a non-recurring basis was approximately 70% in 2017-18, compared with around 40% in 2015-16. While non-recurring savings will always form part of a Board's savings, the lack of enduring savings increases future financial challenges and poses a risk to the NHS Board's financial sustainability. PwC noted that it was critical that the NHS Board puts in place a transformation plan that will deliver recurring savings and provide financial sustainability for the future. Measures recently put in place, such as the Financial Improvement Programme, should clearly and regularly communicate to the Finance and Planning Committee and the Board on the progress made to reduce the Board's recurring deficit.

## 5.0 CURRENT POSITION (CONTINUED)

(4) The scope of this review focused on the planning process and key assumptions that underpin the Board's 2018/19 financial position. The process was to establish the Board's net cash efficiency challenge for 2018/19 and no service redesign or transformation assumptions were applied.

The review concluded that overall, the planning process has been undertaken with an objective of transparency and there is clarity over the key assumptions underpinning the 2018/19 cash efficiency challenge. Addressing the two medium risk findings identified would also further strengthen the transparency of the financial planning process. The findings were:

- In the Board's key financial plan assumptions, the level of certainty that can exist for each assumption varies. This is a normal feature of the planning process, however given the extent of the financial challenge it is important that these areas of risk in the plan are clearly understood by the Board and are subject to regular monitoring.
- The Board's planning arrangements are intended to set out the total saving challenge to be addressed. In most cases the presentation of information is shown on a gross basis before any saving plans are applied. However, PwC noted that for primary care, prescribing cost pressure is presented net of planned saving schemes.

5.17 Internal Audit undertakes follow up work to confirm the implementation of high risk and a sample of medium risk recommendations. The results of the follow up work are reported to the NHSGCC Audit Committee with any matters of concern being drawn to the attention of this Committee.

5.18 As part of the Internal Audit Annual report to the IJB Audit Committee, annual reports rated *Unsatisfactory* or *Major Improvement Required* will be considered for inclusion within the IJB's annual governance statement as appropriate.

5.19 The Annual Internal Audit Report outlined the internal audit work PwC carried out for the year ended 31 March 2018 and stated that the Head of Internal Audit was required to provide a written report to the Accountable Officer to inform the NHS Board's Governance Statement. The internal audit work carried out during the year was based on the internal audit annual plan for the year which had been approved by the Audit Committee.

The Head of Internal Audit Opinion was of the same opinion as had been given in the previous year:

"Generally satisfactory with some improvements required. Governance, risk management and control in relation to business critical areas is generally satisfactory. However, there are some areas of weakness and non-compliance in the framework of governance, risk management and control which potentially put the achievement of objectives at risk. Some improvements are required in those areas to enhance the adequacy and effectiveness of the framework of governance risk management and control."

Although there were no audit reports rated *Unsatisfactory* or *Major Improvement Required* it was considered that the three audit findings identified during 2017-18 rated as high risk should be reported in the NHS Board's Governance Statement. These were in respect of Waiting Times Management, Achieving Financial Balance and Mental Health: Crisis Management.

## 6.0 IMPLICATIONS

### Finance

6.1 The work required to deliver the Annual Internal Audit Plan will be contained within the existing Internal Audit budget set by Inverclyde Council.

Financial Implications:

One off Costs

| Cost Centre | Budget Heading | Budget Years | Proposed Spend this Report | Virement From | Other Comments |
|---|---|---|---|---|---|
| N/A | | | | | |

Annually Recurring Costs/ (Savings)

| Cost Centre | Budget Heading | With Effect from | Annual Net Impact | Virement From (If Applicable) | Other Comments |
|---|---|---|---|---|---|
| N/A | | | | | |

### Legal

6.2 There are no direct legal implications arising from this report.

### Human Resources

6.3 There are no direct HR implications arising from this report.

### Equalities

6.4 There are no direct equalities implications arising from this report.

### Clinical or Care Governance Implications

6.5 There are no direct clinical or care governance implications arising from this report.

### National Wellbeing Outcomes

6.6 There are no direct national wellbeing outcomes arising from this report.

## 7.0 CONSULTATIONS

7.1 N/A

## 8.0 LIST OF BACKGROUND PAPERS

8.1 Internal Audit Reports. Copies available from Chief Internal Auditor.

**Appendix 1**

# INVERCLYDE INTEGRATION JOINT BOARD
# INTERNAL AUDIT REPORT TO AUDIT COMMITTEE ON STATUS OF INTERNAL AUDIT ACTION PLAN POINTS AT 31 JULY 2018

**Summary:**

**Section 1** **Summary of Management Actions due for completion by 31/07/18**

There were 4 items due for completion by July 2018, of which 2 items has been reported as completed and action dates in relation to 2 items have been revised.

**Section 2** **Summary of Current Management Actions Plans at 31/07/18**

At 31 July 2018 there were no audit reports delayed due to management not finalising the action plan within agreed timescales.

**Section 3** **Current Management Actions at 31/07/18**

At 31 July 2018 there were 9 current audit action points.

**Section 4** **Analysis of Missed Deadlines**

At 31 July 2018 there were 4 audit action points where the agreed deadline had been missed.

**Section 5** **Summary of Audit Action Points By Audit Year**

**INVERCLYDE INTEGRATION JOINT BOARD**
**INTERNAL AUDIT REPORT TO AUDIT COMMITTEE ON**
**STATUS OF INTERNAL AUDIT ACTION PLAN POINTS**

**SUMMARY OF MANAGEMENT ACTION PLANS DUE FOR COMPLETION BY 31.07.18**

**SECTION 1**

| No. of Actions Due | No. of Actions Completed | Deadline missed Revised date set* | Deadline missed Revised date to be set* | No action proposed |
|---|---|---|---|---|
| 4 | 2 | 2 | | |

* These actions are included in the Analysis of Missed Deadlines – Section 4

**INVERCLYDE INTEGRATION JOINT BOARD**
**INTERNAL AUDIT REPORT TO AUDIT COMMITTEE ON**
**STATUS OF INTERNAL AUDIT ACTION PLAN POINTS**

**SUMMARY OF CURRENT MANAGEMENT ACTIONS AS AT 31.07.18**

**SECTION 2**

| **Current Actions** | |
|---|---|
| Due for completion August 2018 | 1 |
| Due for completion September 2018 | 4 |
| Due for completion December 2018 | 2 |
| Due for completion March 2019 | 2 |
| **Total current actions:** | **9** |

**INVERCLYDE INTEGRATION JOINT BOARD**
**INTERNAL AUDIT REPORT TO AUDIT COMMITTEE ON**
**STATUS OF INTERNAL AUDIT ACTION PLAN POINTS**

**CURRENT MANAGEMENT ACTIONS AS AT 31.07.18**

**SECTION 3**

| Action | Owner | Expected Date |
|---|---|---|
| **Review of Governance Arrangements (February 2017)** | | |
| **Managing IJB members individual training needs in governance matters (Green)**<br><br>The IJB Chief Officer, in conjunction with the IJB Chief Financial Officer and IJB Standards Officer, will;<br><br>• develop adequate and proportionate personal development plans for IJB members which reflect their training needs in governance matters, including refresher training; and<br>• review the online accessibility of all relevant IJB governance documents. | **Chief Officer** | **30.09.18*** |
| **Managing reviews and updates of the Integration Joint Board's (IJB) governance documents (Green)**<br><br>The IJB Chief Officer, in conjunction with the IJB Chief Financial Officer and IJB Standards Officer, will organise a formal two year rolling timetable to review and update all relevant IJB governance documents. | **Chief Officer** | **30.09.18*** |
| **Strategic Planning and Performance Management Arrangements (January 2018)** | | |
| **Embedding risk management arrangements within the Inverclyde IJB's strategic planning process (Amber)**<br>The Inverclyde IJB Chief Officer will direct all relevant officers to:<br><br>• embed risk management within the Inverclyde IJB strategic planning process. In particular this exercise will include preparing and regularly updating a risk register for both the current and subsequent strategic plan. The action plans flowing from the risk registers will concentrate on addressing critical risks which are at least to some extent controllable; and<br>• examine how best to better utilise the knowledge and experience of Strategic Planning Group (SPG) participants when applying risk management to the Inverclyde IJB strategic planning process. | **Head of Strategy & Support Services** | **31.03.19*** |

**INVERCLYDE INTEGRATION JOINT BOARD**
**INTERNAL AUDIT REPORT TO AUDIT COMMITTEE ON**
**STATUS OF INTERNAL AUDIT ACTION PLAN POINTS**

**CURRENT MANAGEMENT ACTIONS AS AT 31.07.18**

**SECTION 3**

| Action | Owner | Expected Date |
|---|---|---|
| **Strategic Planning and Performance Management Arrangements (January 2018)** | | |
| **Annual review of the IJB's three year strategic plan and managing changes which impact on delivering outcomes (Amber)**<br>The Head of Strategy & Support Services will:<br>• ensure that the IJB's strategic plan is reviewed each year and during that exercise specify an appropriate role for the Strategic Planning Group and<br>• develop a more formal approach to fully examining the impact of internal and external changes which could impact on successfully implementing the strategic plan. That approach will be directly linked to the arrangements for reviewing the strategic plan each year. | **Head of Strategy & Support Services** | **30.09.18** |
| The Head of Strategy & Support Services will also:<br>• increase the role of the Strategic Planning Group in monitoring implementation of the strategic plan; and<br>• develop the Strategic Planning Group's role in monitoring the process for measuring delivery of outcomes within the strategic plan in order that the Strategic Planning Group can be satisfied those arrangements are supported by robust evidence. | **Head of Strategy & Support Services** | **31.12.18** |
| **Ensuring compliance with legal requirements regarding the Strategic Planning Group (Green)**<br>The Head of Strategy & Support Services will, in consultation with the IJB Standards Officer, develop an approach to actively manage all outstanding compliance issues regarding the operation of the Strategic Planning Group. | **Head of Strategy & Support Services** | **30.09.18*** |

**INVERCLYDE INTEGRATION JOINT BOARD**
**INTERNAL AUDIT REPORT TO AUDIT COMMITTEE ON**
**STATUS OF INTERNAL AUDIT ACTION PLAN POINTS**

**CURRENT MANAGEMENT ACTIONS AS AT 31.07.18**

**SECTION 3**

| Action | Owner | Expected Date |
|---|---|---|
| **Workforce Planning (May 2018)** | | |
| **Managing the People Plan (Amber)**<br>Management will require the People Plan Core Group to:<br>• specify its priorities using a quarterly rolling work-plan. The Strategic Planning Group will be asked to approve these work-plans;<br>• apply an appropriate risk management approach to the People Plan Action Plan; and<br>• regularly report on action plan implementation. | **Team Leader (Quality and Learning)** | **31.08.18** |
| **Managing the People Plan within the overall planning landscape (Green)**<br>Management will:<br>• ensure that the People Plan Core Group and Strategic Planning Group adequately considers the impact each core plan has on the delivery of other plans, especially the People Plan and Financial Plan. In particular, these two groups will consider how adequately the People Plan Action Plan has allowed for financial matters and constrained resources; and | **Head of Strategy & Support Services** | **31.12.18** |
| • seek agreement with relevant Council officers in order that reliance can be placed upon the HSCP's partnership approach to workforce planning. | **Head of Strategy & Support Services** | **31.03.19** |

**INVERCLYDE INTEGRATION JOINT BOARD**
**INTERNAL AUDIT REPORT TO AUDIT COMMITTEE ON**
**STATUS OF INTERNAL AUDIT ACTION PLAN POINTS**
**ANALYSIS OF MISSED DEADLINES**

**SECTION 4**

| Report | Action | Original Date | Revised Date | Management Comments |
|---|---|---|---|---|
| **Review of Governance Arrangements (February 2017)** | **Managing IJB members individual training needs in governance matters (Green)**<br><br>The IJB Chief Officer, in conjunction with the IJB Chief Financial Officer and IJB Standards Officer, will develop adequate and proportionate personal development plans for IJB members which reflect their training needs in governance matters, including refresher training. | **28.02.18** | **30.09.18** | Induction training has been carried out for new members. A programme for training in governance matters will be agreed.<br><br>The Standards Commission is providing Code of Conduct training to IJB Members on 24 September 2018. |
| **Review of Governance Arrangements (February 2017)** | **Managing reviews and updates of the Integration Joint Board's (IJB) governance documents (Green)**<br><br>The IJB Chief Officer, in conjunction with the IJB Chief Financial Officer and IJB Standards Officer, will organise a formal two year rolling timetable to review and update all relevant IJB governance documents. | **28.02.18** | **30.09.18** | A framework document is being developed which will detail all governance documents together with the current approval date, next review date and responsible officer. |

**INVERCLYDE INTEGRATION JOINT BOARD**
**INTERNAL AUDIT REPORT TO AUDIT COMMITTEE ON**
**STATUS OF INTERNAL AUDIT ACTION PLAN POINTS**
**ANALYSIS OF MISSED DEADLINES**

**SECTION 4**

| Report | Action | Original Date | Revised Date | Management Comments |
|---|---|---|---|---|
| **Strategic Planning and Performance Management Arrangements (January 2018)** | **Embedding risk management arrangements within the Inverclyde IJB's strategic planning process (Amber)**<br>The Inverclyde IJB Chief Officer will direct all relevant officers to:<br>• embed risk management within the Inverclyde IJB strategic planning process. In particular this exercise will include preparing and regularly updating a risk register for both the current and subsequent strategic plan. The action plans flowing from the risk registers will concentrate on addressing critical risks which are at least to some extent controllable; and<br>• examine how best to better utilise the knowledge and experience of Strategic Planning Group (SPG) participants when applying risk management to the Inverclyde IJB strategic planning process. | **30.06.18** | **31.03.19** | Work has been undertaken regarding risk management in terms of preparing the next strategic plan. In a report to the Integration Joint Board on 18 June, a timetable has been agreed for the key stages to develop the 2019-2022 Strategic Plan. It is anticipated that the 1st draft of the plan will be produced by December 2018 with public consultation and finalisation of the plan thereafter. |
| **Strategic Planning and Performance Management Arrangements (January 2018)** | **Ensuring compliance with legal requirements regarding the Strategic Planning Group (Green)**<br>The Head of Strategy & Support Services will, in consultation with the IJB Standards Officer, develop an approach to actively manage all outstanding compliance issues regarding the operation of the Strategic Planning Group. | **30.06.18** | **30.09.18** | A report will be presented to the IJB confirming Membership of the Strategic Planning Group. |

**INVERCLYDE INTEGRATION JOINT BOARD**
**INTERNAL AUDIT REPORT TO AUDIT COMMITTEE ON**
**STATUS OF INTERNAL AUDIT ACTION PLAN POINTS**

## SUMMARY OF ACTION PLAN POINTS BY AUDIT YEAR

**SECTION 5**

The following table sets out the total number of agreed actions raised by audit year together with their completion status as at 31 July 2018.

| Audit Year | Total Agreed Actions | Total Actions Completed | Total Current Actions Not Yet Due* | | |
|---|---|---|---|---|---|
| | | | Red | Amber | Green |
| 2016/2017 | 3 | 1 | 0 | 0 | 2 |
| 2017/2018 | 8 | 1 | 0 | 4 | 3 |
| **Total** | **11** | **2** | **0** | **4** | **5** |

* This part of the table sets out the total number of current actions not yet due at the date of the follow up report.