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<b>Report To:</b>	<b>Inverclyde Integrated Joint Board Audit Committee</b>	<b>Date:</b>	<b>20 March 2023</b>
<b>Report By:</b>	<b>Chief Officer Inverclyde Integration Joint Board</b>	<b>Report No:</b>	<b>IJBA/02/2023/AP</b>
<b>Contact Officer:</b>	<b>Andi Priestman</b>	<b>Contact No:</b>	<b>01475 712251</b>
<b>Subject:</b>	<b>Internal Audit Progress Report 29 August 2022 to 24 February 2023</b>		

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## **1.0 PURPOSE AND SUMMARY**

- 1.1  For Decision  For Information/Noting
- 1.2 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.
- 1.3 The report also presents an update on the Internal Audit work undertaken at Inverclyde Council and NHS Greater Glasgow and Clyde (NHSGGC) between 29 August 2022 and 24 February 2023 that may have an impact upon the IJB's control environment.

## **2.0 RECOMMENDATIONS**

- 2.1 It is recommended that IJB Audit Committee members agree to note the progress made by Internal Audit for the period 29 August 2022 and 24 February 2023.

**Kate Rocks**  
**Chief Officer**  
**Inverclyde Health and Social Care Partnership**

### 3.0 BACKGROUND AND CONTEXT

- 3.1 The audit plan for 2022/23 was approved at the IJB Audit Committee meeting in March 2022.
- 3.2 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.

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

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

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

<b>Red</b>	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.
<b>Amber</b>	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.
<b>Green</b>	In our opinion our audit highlighted areas for minor control improvement and/or areas of minor control weakness.

- 3.3 Since the last Internal Audit progress report to the September meeting of the IJB Audit Committee, one Internal Audit report has been finalised in relation to IJB Workforce Planning Arrangements.
- 3.4 The Inverclyde Integration Joint Board (IJB) oversees the provision of defined services which are delivered by the Inverclyde Health & Social Care Partnership (HSCP). Those services are delivered by a workforce who range from registered professionals to carers and volunteers. During November 2022 the Inverclyde IJB approved an updated workforce plan which covers the three years to March 2025. That plan must be actively managed to ensure its ambitions are adequately realised. In addition, the HSCP's senior management team continues to redesign services, manage the impact of demographic change and respond to the disruption caused by the Covid-19 pandemic.
- 3.5 The objective of this audit was to provide the IJB Audit Committee with an assessment of the adequacy and effectiveness of the governance, risk management and controls surrounding the key risks faced by Inverclyde IJB in relation to implementing its workforce plan.

### 3.0 BACKGROUND AND CONTEXT (CONTINUED)

- 3.6 The review focused on the high-level processes and procedures in relation to implementing the IJB’s workforce plan and concentrated on identified areas of perceived higher risk, such as not adequately monitoring implementation of the workforce plan and not adequately reporting on the progress being made with implementing the plan.
- 3.7 The overall control environment opinion for this audit review was **Satisfactory**. There was one AMBER issue identified as follows:

Managing timescales within the workforce plan action plan (Amber)

The timescales for implementing the workforce plan must be realistic and challenging whilst recognising those factors which may impact on their timely completion. By necessity, many of the actions contained in the workforce plan action plan will take more than a year to implement. However, this makes it more difficult for stakeholders to identify and monitor priority actions. In addition, it is also more difficult to assess progress when timescales for completion of the full action exceed a year.

Intermediate actions and timescales have not yet been set due to the early stage of implementing the revised workforce plan. Where intermediate actions and timescales are not set within the workforce plan it may be more difficult to assess the priority actions and progress being made to implement these actions. Also, actions which span several years could be repeatedly rolled forward or only partly implemented.

- 3.8 The audit identified 3 issues, one of which we consider to be individually significant and an action plan is in place to address all issues by 31 December 2023.
- 3.9 In relation to Internal Audit follow up, there were 2 actions due for completion by 31 January 2023 which have missed the deadline set by management. There are 8 actions being progressed by officers. The current status report is attached at Appendix 1.
- 3.10 In addition, since the last Internal Audit Progress report to the Audit Committee meeting in September 2022, Internal Audit Reports reported to Inverclyde Council and NHSGGC which are relevant to the IJB are set out at paragraphs 3.11 and 3.12 of the report.

#### 3.11 Inverclyde Council – Internal Audit Progress Report Summary

Since the last Internal Audit Progress Report considered at the September 2022 meeting of the Audit and Performance Committee, there were 2 Internal Audit Reports reported to Inverclyde Council which are relevant to the IJB.

Audit Report	Report Opinion	Number/Category of Issues		
		Red	Amber	Green
Freedom of Information Arrangements	Satisfactory	0	0	6
Cyber Security (1)	Satisfactory	0	2	2

- (1) The review focused on the high level processes and procedures in relation to cyber security arrangements and concentrated on identified areas of perceived higher risk, such as the Council not having a comprehensive strategy and response for its overall approach to cyber security, staff not being appropriately trained in cyber security risks, the Council’s critical controls not being appropriately assessed and accredited on a regular basis or policies and procedures are not in place for identity and access management including intrusion prevention and detection arrangements.

### **3.0 BACKGROUND AND CONTEXT (CONTINUED)**

There were 2 Amber issues identified as follows:

#### Staff training in relation to cyber security awareness (Amber)

Inverclyde Council's e-learning facility, Inverclyde Learns has a mandatory course on Information Security which staff who require access to a computer must complete prior to being given access to the Council's network. This course also includes some aspects of cyber security training in areas such as protection against viruses, identity and access management, and internet security. The completion rate is very high for this course. 2270 staff members have completed this course to date.

Another course, whilst mandatory, but not required to be completed before being given access to the Council's network is the cyber security awareness course. This course should be completed by all Inverclyde Council employees who have access to a computer. However, only 236 employees out of 1,465 employees who have a corporate account have completed this training to date. In addition, although there have been several training events including two table-top exercises to test the Council's cyber resilience recovery plan, there is currently no regular timetabled programme of training in place and a planned phishing exercise to measure staff awareness of cyber risks has still to be actioned.

Untrained users may increase the risk of successful cyber attacks and security events affecting the Council due to a lack of training and awareness by staff of potential cyber attacks.

#### Overdue external assessments and accreditations (Amber)

The Public Services Network (PSN) provides the Council with secure access to a number of services provided by National and Central Government departments. In order to be eligible to connect to the PSN, the Council is required to pass the PSN compliance process which includes an IT Health Check, completed by an external assessor. Inverclyde Council also holds an accreditation from Cyber Essentials Plus which ensures that the council's IT infrastructure is protected against any threats that may lead to a cyber-attack.

However, it was identified that both the PSN compliance/IT Health Check and Cyber Essentials re-assessment for 2021/2022 have not been submitted as the Council has determined that the assessment and accreditation process should be undertaken once the migration to Microsoft 365 is completed.

Where external assessments and accreditations are overdue, the Council is not complying with the core requirements of the Scottish Public Sector Cyber Resilience Framework.

### **3.12 NHSGGC - Internal Audit Progress Report Summary**

Since the last IA Progress Report considered at the September meeting of the Audit and Performance Committee, there were 2 Internal Audit Reports reported to NHSGGC which are relevant to the IJB and are set out in the undernoted table. There were no Grade 4 recommendations raised (very high exposure) and no control objectives assessed as red.

Audit Title	Rating	Number and Priority of Issues			
		4	3	2	1
Property Transactions Monitoring	Effective	-	-	-	-
Covid 19 Recovery – Annual Delivery Plan	Minor Improvement Required	-	-	2	-
Telecommunications Project – Post Implementation Review	Minor Improvement Required	-	-	3	-
Management Action Follow Up Q1 and Q3	N/A				
<b>Total</b>		-	-	<b>5</b>	-

3.13 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.

#### 4.0 PROPOSALS

4.1 The IJB Audit Committee is asked to note the progress made by Internal Audit for the period 29 August 2022 and 24 February 2023.

#### 5.0 IMPLICATIONS

5.1 The table below shows whether risks and implications apply if the recommendation(s) is(are) agreed:

SUBJECT	YES	NO	N/A
Financial		X	
Legal/Risk	X		
Human Resources		X	
Strategic Plan Priorities		X	
Equalities		X	
Clinical or Care Governance		X	
National Wellbeing Outcomes		X	
Children & Young People's Rights & Wellbeing		X	
Environmental & Sustainability		X	
Data Protection		X	

#### 5.2 Legal/Risk

Where delays arise in delivering the Internal Audit Plan, there is a risk that this may result in an inability to provide a reasonable level of assurance over the Council's system of internal control to those charged with governance. The main basis for providing assurance is coverage of the planned risk-based audits. Every endeavour is therefore made to ensure that no material slippage occurs in risk-based audits by concentrating resources on these audits.

## 6.0 DIRECTIONS

6.1	<b>Direction Required to Council, Health Board or Both</b>	Direction to:	
		1. No Direction Required	X
		2. Inverclyde Council	
		3. NHS Greater Glasgow & Clyde (GG&C)	
		4. Inverclyde Council and NHS GG&C	

## 7.0 CONSULTATION

7.1 N/A

## 8.0 BACKGROUND PAPERS

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

**INVERCLYDE INTEGRATION JOINT BOARD  
INTERNAL AUDIT REPORT TO AUDIT COMMITTEE ON  
STATUS OF INTERNAL AUDIT ACTION PLAN POINTS  
AT 31 JANUARY 2023**

**Summary: Section 1 Summary of Management Actions due for completion by 31/01/2023**

There were 2 actions due for completion by 31 January 2023 which have missed the deadline set by management.

**Section 2 Summary of Current Management Actions Plans at 31/01/2023**

At 31 January 2023 there were no audit reports delayed due to management not finalising the action plan within agreed timescales.

**Section 3 Current Management Actions at 31/01/2023**

At 31 January 2023 there were 8 current audit action points.

**Section 4 Analysis of Missed Deadlines**

At 31 January 2023 there were 3 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 31.01.2023**

**SECTION 1**

<b>No. of Actions Due</b>	<b>No. of Actions Completed</b>	<b>Deadline missed Revised date set*</b>	<b>Deadline missed Revised date to be set*</b>	<b>No action proposed</b>
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 31.01.2023**

**SECTION 2**

<b>Current Actions</b>	
Due for completion April 2023	1
Due for completion May 2023	1
Due for completion June 2023	3
Due for completion December 2023	1
Completion date to be advised	2
<b>Total current actions:</b>	<b>8</b>

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

**CURRENT MANAGEMENT ACTIONS AS AT 31.01.2023**

**SECTION 3**

<b>Recommendation/Agreed Action</b>	<b>Owner</b>	<b>Expected Date</b>
<b>IJB Integration Scheme Update – Readiness Review (December 2019)</b>		
<p><b>Recommendation:</b> <b>Specifying governance arrangements within the Integration Scheme (Amber)</b> The Scottish Government have confirmed IJBs will be required to review their current integration schemes rather than complete a new scheme. The 6 HSCP across Greater Glasgow and Clyde will contribute to a short life working group to review collectively ensuring cross cutting issues are addressed.</p> <p>The Inverclyde HSCP has identified the appropriate officer to contribute to this work. The HSCP are also working closely with Legal Services within the Council and NHS to review our current Integration Scheme.</p> <p><b>Agreed Action: Recommendation accepted.</b></p>	<b>IJB Chief Officer</b>	<b>31.05.2023*</b>
<b>Budgetary Control (March 2020)</b>		
<p><b>Recommendation:</b> <b>Updating the Inverclyde Integration Joint Board’s (IJB) reserves strategy (Green)</b> The IJB’s Chief Financial Officer will update the IJB’s reserves strategy to fully:</p> <ul style="list-style-type: none"> <li>• reflect the terminology used within the IJB’s annual accounts regarding reserves; and</li> <li>• allow for the revised Integration Scheme.</li> </ul> <p><b>Agreed Action: Recommendation accepted.</b></p>	<b>IJB Chief Financial Officer</b>	<b>30.06.2023*</b>
<b>IJB Performance Management and Reporting Arrangements (July 2021)</b>		
<p><b>Recommendation:</b> <b>Reporting on progress with implementing the IJB’s Strategic Plan (Amber)</b> Management will provide a mid-year (April to September) Strategic Plan progress report to IJB that includes RAG status and actions.</p> <p>Management will produce an “easy read” document which covers the progress being made with implementing the IJB’s Strategic Plan and would accompany the Annual Performance report.</p> <p><b>Agreed Action: Recommendation accepted.</b></p>	<b>IJB Chief Financial Officer</b>	<b>To be advised*</b>
	<b>IJB Chief Financial Officer</b>	<b>To be advised*</b>

\* 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**

**CURRENT MANAGEMENT ACTIONS AS AT 31.01.2023**

**SECTION 3**

<b>Recommendation/Agreed Action</b>	<b>Owner</b>	<b>Expected Date</b>
<b>IJB Workforce Planning Arrangements (February 2023)</b>		
<p><b>Recommendation:</b> <b>Managing Timescales within the Workforce Plan action plan (Amber)</b> The IJB Chief Financial Officer will, in conjunction with all relevant senior officers, review the timescales within the workforce plan action plan with the aim of:</p> <ul style="list-style-type: none"> <li>• more clearly identifying priority actions for the next year.</li> <li>• seeking to set intermediate actions and corresponding timescales for those actions which are forecast to take more than a year to fully implement.</li> </ul> <p><b>Agreed Action: Recommendation accepted.</b></p>	<b>IJB Chief Financial Officer</b>	<b>30.06.2023</b>
<p><b>Recommendation:</b> <b>Managing Timescales within the Workforce Plan action plan (Amber)</b> The IJB Chief Financial Officer will also explore the use of the Pentana system to record milestones for actions and priorities for each action. <b>Agreed Action: Recommendation accepted.</b></p>	<b>IJB Chief Financial Officer</b>	<b>31.12.2023</b>
<p><b>Recommendation:</b> <b>Managing the development of detailed workforce plan action plans (Green)</b> The IJB Chief Financial Officer will oversee appropriate arrangements to regularly and adequately monitor the development and implementation of each detailed action plan which originates from the high-level workforce plan. <b>Agreed Action: Recommendation accepted.</b></p>	<b>IJB Chief Financial Officer</b>	<b>30.04.2023</b>
<p><b>Recommendation:</b> <b>Clearer responsibility and accountability for implementing action plans (Green)</b> The IJB Chief Financial Officer will review the responsible officer column within the high-level workforce plan and review the current operational procedure for managing workforce planning activities and ensure that the revised procedure aligns to the procedure used to monitor the Strategic Plan. <b>Agreed Action: Recommendation accepted.</b></p>	<b>IJB Chief Financial Officer</b>	<b>30.06.2023</b>

\* 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  
ANALYSIS OF MISSED DEADLINES**

**SECTION 4**

Report	Action	Original Date	Revised Date	Management Comments
<b>Budgetary Control (March 2020)</b>	<p><b>Updating the Inverclyde Integration Joint Board's (IJB) reserves strategy (Green)</b> The IJB's Chief Financial Officer will update the IJB's reserves strategy to fully:</p> <ul style="list-style-type: none"> <li>• reflect the terminology used within the IJB's annual accounts regarding reserves; and</li> <li>• allow for the revised Integration Scheme.</li> </ul>	<p><b>30.09.20</b> <b>31.09.21</b> <b>31.08.22</b></p>	<b>31.06.23</b>	<p>The reserves strategy will be impacted by the review of the integration schemes which are now due for final submission May 2023.</p> <p>It is anticipated that a revised reserves strategy will go to IJB in June 2023.</p>
<b>IJB Integration Scheme Update – Readiness Review (December 2019)</b>	<p><b>Specifying governance arrangements within the Integration Scheme (Amber)</b> The Scottish Government have confirmed IJBs will be required to review their current integration schemes rather than complete a new scheme. The 6 HSCP across Greater Glasgow and Clyde will contribute to a short life working group to review collectively ensuring cross cutting issues are addressed.</p> <p>The Inverclyde HSCP has identified the appropriate officer to contribute to this work. The HSCP are also working closely with Legal Services within the Council and NHS to review our current Integration Scheme.</p>	<b>31.07.22</b>	<b>31.05.23</b>	<p>Work has continued to be developed on the integration schemes and it has been widely accepted that the July 22 completion date has been ambitious. A revised timetable has been issued by the group with an anticipated completion date of May 23 at the earliest. This will involve extensive consultation with NHS GGC Board, all Six Councils and IJB's with a final draft expected late April 23 and final submission to the Cabinet Secretary in May 23.</p>

**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
<b>IJB Performance Management and Reporting Arrangements (July 2021)</b>	<b>Reporting on progress with implementing the IJB's Strategic Plan (Amber)</b> Management will produce an "easy read" document which covers the progress being made with implementing the IJB's Strategic Plan and would accompany the Annual Performance report.	<b>30.06.22 30.11.22</b>	<b>To be advised</b>	This will be in place once the revised IJB Strategic Plan is approved. The Strategic Plan will now be presented to the March 2023 IJB for approval.
<b>IJB Performance Management and Reporting Arrangements (July 2021)</b>	<b>Reporting on progress with implementing the IJB's Strategic Plan (Amber)</b> Management will provide a mid-year (April to September) Strategic Plan progress report to IJB that includes RAG status and actions.	<b>30.11.22</b>	<b>To be advised</b>	This will be in place once the revised IJB Strategic Plan is approved. The Strategic Plan will now be presented to the March 2023 IJB for approval.

**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 January 2023.

<b>Audit Year</b>	<b>Total Agreed Actions</b>	<b>Total Actions Completed</b>	<b>Total Current Actions Not Yet Due*</b>		
			<b>Red</b>	<b>Amber</b>	<b>Green</b>
2016/2017	3	3	0	0	0
2017/2018	8	8	0	0	0
2018/2019	6	5	0	1	0
2019/2020	6	5	0	0	1
2020/2021	2	2	0	0	0
2021/2022	6	4	0	1	1
2022/2023	4	0	0	2	2
<b>Total</b>	<b>35</b>	<b>27</b>	<b>0</b>	<b>4</b>	<b>4</b>

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