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<b>Report To:</b>	<b>Inverclyde Integration Joint Board Audit Committee</b>	<b>Date:</b>	<b>25 March 2024</b>
<b>Report By:</b>	<b>Chief Officer Inverclyde Health and Social Care Partnership</b>	<b>Report No:</b>	<b>IJBA/01/2024/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 4 September 2023 to 1 March 2024</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 the Inverclyde 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 4 September 2023 and 1 March 2024 that may have an impact upon the Inverclyde IJB's control environment.

## **2.0 RECOMMENDATIONS**

- 2.1 It is recommended that Inverclyde IJB Audit Committee members agree to note the progress made by Internal Audit for the period 4 September 2023 and 1 March 2024.

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

### 3.0 BACKGROUND AND CONTEXT

- 3.1 The audit plan for 2023/24 was approved at the IJB Audit Committee meeting in June 2023.
- 3.2 Internal Audit reports findings and action plans to relevant Inverclyde 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.
- 3.3 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.

- 3.4 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.

- 3.5 Since the last Internal Audit progress report to the June meeting of the Inverclyde IJB Audit Committee, there was one audit report finalised in relation to IJB Best Value Assurance Review. The remaining audit review is at planning stage.

#### **Best Value Assurance Review (September 2023)**

- 3.6 The Inverclyde Integration Joint Board (IJB) requires the local Health & Social Care Partnership (HSCP) to deliver a range of defined services to residents. Those services are either delivered or commissioned by Inverclyde Council and Greater Glasgow & Clyde NHS Board. Under the Local Government in Scotland Act 2003, IJBs and local authorities are required to secure best value. Under separate legislation NHS Boards must use their resources economically, efficiently and effectively.
- 3.7 Best value encompasses seven themes, which include leadership, governance, the effective use of resources and partnership working. It is important that the Inverclyde IJB has appropriate arrangements in place to effectively manage its duty to secure best value whilst also acknowledging the Inverclyde HSCP's role in delivering services.

- 3.8 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 managing its duty to secure best value.
- 3.9 The review focused on the high-level processes and procedures in relation to managing best value and concentrated on identified areas of perceived higher risk, such as not adequately managing the activities required to secure best value and not adequately reporting those activities.
- 3.10 The overall control environment opinion for this audit review was **Strong**. In terms of good practice, we found that the IJB's best value statement provides a solid basis to further enhance reporting of best value, however one GREEN issue was identified as follows:

### **Managing Best Value Arrangements (Green)**

The organisational relationship between the IJB and HSCP means that the IJB's duty to secure best value involves the specialist knowledge of both the IJB's Strategic Planning Group (SPG) and HSCP's Senior Management Team (SMT). We understand that members of these groups continue to undertake a wide range of activities which contribute towards securing best value. Those activities are documented within a best value statement, which is submitted to the IJB Audit Committee each Spring.

However, we found that there is scope to build upon those arrangements by more fully utilising the updated Statutory Guidance on best value by:

- formally reminding SPG and SMT participants of their distinct roles in securing best value for the IJB;
- referencing existing evidence of best value under each of the seven themes; and
- subsequently reporting a summary of that evidence within the annual best value statement.

- 3.11 An action plan is in place to address this issue by 30 April 2024.
- 3.12 In relation to Internal Audit follow up, there was one action due for completion by 31 January 2024 which has missed the deadline set by management. There are 4 actions being progressed by officers. The current status report is attached at Appendix 1.
- 3.13 In addition, since the last Internal Audit Progress report to the Audit Committee meeting in June 2023, Internal Audit Reports reported to Inverclyde Council and NHSGGC which are relevant to the Inverclyde IJB are set out at paragraphs 3.14 and 3.15 of this report.

### **3.14 Inverclyde Council – Internal Audit Progress Report Summary**

Since the last Internal Audit Progress Report considered at the September 2023 meeting of the Audit and Performance Committee, there was one Internal Audit Report reported to Inverclyde Council which are relevant to the Inverclyde IJB.

Audit Report	Report Opinion	Category/Number of Issues		
		Red	Amber	Green
Corporate Purchase Cards – quarterly check (1)	Satisfactory	0	2	1
Attendance Management (2)	Requires Improvement	1	4	1
<b>Total</b>		<b>1</b>	<b>6</b>	<b>2</b>

- (1) The review focused on the high-level processes and procedures in relation to corporate purchase cards and concentrated on identified areas of perceived higher risk, such as not adequately recording expenditure and not completely validating monthly purchase card statements.

The overall control environment opinion for this audit was Satisfactory. There were 2 AMBER issues identified as follows:

- Currently, there is a lack of appropriate guidance for cardholders regarding the correct treatment of transactions which include VAT; and
- Currently, there is a lack of consistent sign-off by cardholders and their supervisors in respect of transaction logs and monthly statements.

- (2) The audit focussed on the high-level processes and procedures in relation to attendance management and concentrated on identified areas of perceived higher risk such as ensuring that absences were completely and accurately handled in a timely manner in line with the Supporting Employee Attendance Policy and Procedure and that management actions required under the Supporting Employee Attendance Policy and Procedure were carried out completely and accurately and in a timely manner.

The overall control environment opinion for this audit review was Requires Improvement due to systemic control weaknesses in the attendance management process. One Red and 4 Amber issues were identified as follows:

- Currently, due to system constraints within Chris21, a multi-step manual process is in place to notify, record and monitor absences which is not efficient or timely and impacts on the completeness and accuracy of absence management information. (Red)
- Not all managers have completed the face-to-face absence management training course or the e-learning training module. Face to face training is underway for HSCP managers. (Amber)
- Employee hierarchy workforce information requires to be provided to the external Occupational Health provider to allow managers to self-refer for occupational health support. Work had started such that some Services are now able to self-refer but the exercise was not yet fully complete as information was outstanding from services within HSCP. This has now been actioned by the HSCP. (Amber)
- Currently, not all managers have access to generate absence reports from Chris21. (Amber)
- Currently, some services are retaining both hard and electronic copies of attendance management documentation and are not compliant with retention and disposal requirements. (Amber)

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

In relation to Internal Audit work undertaken at NHSGGC, due to staffing changes an update on work undertaken during 2023-24 has not yet been provided. There is a commitment to provide an update on the 2023-24 audit work following the audit committee meeting at NHSGGC on 12 March and on a regular basis after each audit committee thereafter.

- 3.16 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 Inverclyde IJB Audit Committee is asked to note the progress made by Internal Audit for the period 4 September 2023 to 1 March 2024.

## 5.0 IMPLICATIONS

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

SUBJECT	YES	NO
Financial		X
Legal/Risk	X	
Human Resources		X
Strategic Plan Priorities		X
Equalities, Fairer Scotland Duty & Children and Young People		X
Clinical or Care Governance		X
National Wellbeing Outcomes		X
Environmental & Sustainability		X
Data Protection		X

## 5.2 Finance

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report	Virement From	Other Comments

Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (If Applicable)	Other Comments

## 5.3 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 Inverclyde IJB'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.

## 5.4 Human Resources

There are no human resources implications arising from this report.

## 5.5 Strategic Plan Priorities

This report relates to strong corporate governance.

## 5.6 Equalities

### (a) Equalities

This report has been considered under the Corporate Equalities Impact Assessment (EqIA) process with the following outcome:

	YES – Assessed as relevant and an EqIA is required.
X	NO – This report does not introduce a new policy, function or strategy or recommend a substantive change to an existing policy, function or strategy. Therefore, assessed as not relevant and no EqIA is required. Provide any other relevant reasons why an EqIA is not necessary/screening statement.

### (b) Equality Outcomes

How does this report address our Equality Outcomes?

Equalities Outcome	Implications
People, including individuals from the above protected characteristic groups, can access HSCP services.	N/A
Discrimination faced by people covered by the protected characteristics across HSCP services is reduced if not eliminated.	N/A
People with protected characteristics feel safe within their communities.	N/A
People with protected characteristics feel included in the planning and developing of services.	N/A
HSCP staff understand the needs of people with different protected characteristic and promote diversity in the work that they do.	N/A
Opportunities to support Learning Disability service users experiencing gender based violence are maximised.	N/A
Positive attitudes towards the resettled refugee community in Inverclyde are promoted.	N/A

### (c) Fairer Scotland Duty

If this report affects or proposes any major strategic decision:-

Has there been active consideration of how this report's recommendations reduce inequalities of outcome?

	YES – A written statement showing how this report's recommendations reduce inequalities of outcome caused by socio-economic disadvantage has been completed.
X	NO – Assessed as not relevant under the Fairer Scotland Duty for the following reasons: Provide reasons why the report has been assessed as not relevant.

**(d) Children and Young People**

Has a Children’s Rights and Wellbeing Impact Assessment been carried out?

	YES – Assessed as relevant and a CRWIA is required.
X	NO – Assessed as not relevant as this report does not involve a new policy, function or strategy or recommends a substantive change to an existing policy, function or strategy which will have an impact on children’s rights.

**5.7 Clinical or Care Governance**

This report relates to strong corporate governance.

**5.8 National Wellbeing Outcomes**

How does this report support delivery of the National Wellbeing Outcomes?

<b>National Wellbeing Outcome</b>	<b>Implications</b>
People are able to look after and improve their own health and wellbeing and live in good health for longer.	N/A
People, including those with disabilities or long term conditions or who are frail are able to live, as far as reasonably practicable, independently and at home or in a homely setting in their community	N/A
People who use health and social care services have positive experiences of those services, and have their dignity respected.	N/A
Health and social care services are centred on helping to maintain or improve the quality of life of people who use those services.	N/A
Health and social care services contribute to reducing health inequalities.	N/A
People who provide unpaid care are supported to look after their own health and wellbeing, including reducing any negative impact of their caring role on their own health and wellbeing.	N/A
People using health and social care services are safe from harm.	N/A
People who work in health and social care services feel engaged with the work they do and are supported to continuously improve the information, support, care and treatment they provide.	N/A
Resources are used effectively in the provision of health and social care services.	N/A

**5.9 Environmental/Sustainability**

Summarise any environmental / climate change impacts which relate to this report.

Has a Strategic Environmental Assessment been carried out?

	YES – assessed as relevant and a Strategic Environmental Assessment is required.
X	NO – This report does not propose or seek approval for a plan, policy, programme, strategy or document which is like to have significant environmental effects, if implemented.

### 5.10 Data Protection

Has a Data Protection Impact Assessment been carried out?

	YES – This report involves data processing which may result in a high risk to the rights and freedoms of individuals.
X	NO – Assessed as not relevant as this report does not involve data processing which may result in a high risk to the rights and freedoms of individuals.

### 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 The Chief Officer and the Chief Financial Officer have been consulted on this report.

### 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 2024**

**Summary: Section 1 Summary of Management Actions due for completion by 31/01/2024**

There was one action due for completion by 31 January 2024 which has missed the deadline set by management.

**Section 2 Summary of Current Management Actions Plans at 31/01/2024**

At 31 January 2024 there were no audit reports delayed due to management not finalising the action plan within agreed timescales.

**Section 3 Current Management Actions at 31/01/2024**

At 31 January 2024 there were 4 current audit action points.

**Section 4 Analysis of Missed Deadlines**

At 31 January 2024 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 31.01.2024**

**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>
1		1		

\* 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 31.01.2024**

**SECTION 2**

<b>Current Actions</b>	
Due for completion April 2024	2
Due for completion July 2024	1
Due for completion September 2024	1
<b>Total current actions:</b>	<b>4</b>

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

**CURRENT MANAGEMENT ACTIONS AS AT 31.01.2024**

**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>01.04.2024*</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 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>30.09.2024*</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 31.01.2024**

**SECTION 3**

<b>Recommendation/Agreed Action</b>	<b>Owner</b>	<b>Expected Date</b>
<b>IJB Workforce Planning Arrangements (February 2023)</b>		
<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>	<b>IJB Chief Financial Officer</b>	<b>31.07.2024</b>
<b>IJB Best Value Assurance Review (September 2023)</b>		
<b>Recommendation:</b> <b>Managing Best Value Arrangements (Green)</b> Management will: <ul style="list-style-type: none"> <li>• formally advise all SPG and SMT participants of their distinct roles in securing best value for the IJB; and</li> <li>• update best value questionnaire and responses to reflect the seven themes specified in the statutory Guidance.</li> </ul> <b>Agreed Action: Recommendation accepted.</b>	<b>IJB Chief Financial Officer</b>	<b>30.04.2024</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>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>	<p><b>31.07.22</b> <b>31.05.23</b></p>	<b>01.04.24</b>	Work has continued to be developed on the integration schemes. We continue to work with our partners at the NHS and Council around updates. Work also continues across all 6 Greater Glasgow and Clyde IJB's to find a consistent approach to our Integration Schemes.
<b>IJB Performance Management and Reporting Arrangements (July 2021)</b>	<p><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.</p>	<p><b>30.06.22</b> <b>30.11.22</b> <b>30.09.23</b> <b>31.01.24</b></p>	<b>30.09.24</b>	Management have advised that this will be updated as part of the new strategic plan with the "plan on a page" proposal.
<b>IJB Workforce Planning Arrangements (February 2023)</b>	<p><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.</p>	<b>31.12.23</b>	<b>31.07.24</b>	Due to other priorities, work on this action has not started. This will now be progressed with a timescale for completion of July 2024.

**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 at 31 January 2024.

<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	6	0	0	0
2019/2020	6	5	0	1	0
2020/2021	2	2	0	0	0
2021/2022	6	5	0	1	0
2022/2023	6	5	0	1	0
2023/2024	1	0	0	0	1
<b>Total</b>	<b>38</b>	<b>34</b>	<b>0</b>	<b>3</b>	<b>1</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.