



PERTH & KINROSS HEALTH AND SOCIAL CARE
INTEGRATION JOINT BOARD MEETING 23 MARCH 2016

INTERNAL AUDIT PLAN FOR 2015/16

REPORT BY JANE SMITH, CHIEF FINANCE OFFICER

1.0 PURPOSE OF REPORT

- 1.1 To seek approval for the Perth & Kinross Integration Joint Board's (IJB) Internal Audit Plan for 2015/16.

2.0 RECOMMENDATIONS

It is recommended that the Integration Joint Board:-

- (i) consider and approve the Internal Audit Plan for 2015/16 and,
- (ii) note the requirement to determine Internal Audit arrangements for period 2016/17 and beyond.

3.0 BACKGROUND

- 3.1 At the November Meeting, the IJB approved the arrangements for Internal Audit provision during financial year 2015/16. This included confirming Tony Gaskin as the IJB's Chief Internal Auditor and Fife, Tayside and Forth Valley Management Services (FTF) as the IJB's Internal Auditors. The paper also noted there would be a reliance on appropriate level of Local Authority Internal Audit support to conduct the 2015/16 Internal Audit arrangements.

The November meeting was also informed that an early action for the Internal Auditors was to agree a 2015/16 Internal Audit plan. That plan is now set out here for approval, subject to agreement with the IJB's External Auditors and the Perth & Kinross Council Internal Auditors. Resources to deliver this works are included in the 2015/16 Internal Audit Plan for the NHS Board and Local Authority. It was previously noted that the early issues for Internal Audit to consider would include Due Diligence, Strategic Planning, Governance arrangements and the production of an Annual Report. The Internal Audit plan, summarised below, reflects these as follows:-

Due Diligence

In line with national guidance, due diligence of the initial sums will be undertaken by the NHS Tayside and Perth & Kinross Council Internal Audit teams and reported jointly to the Health Board Audit Committee and Local Authority Scrutiny and Audit Committees as well as the relevant Perth & Kinross IJB Committee

Strategic Planning

The IJB Strategic Plan is not due to be completed until 23 March 2016; it is therefore likely to be the first element of the 2016/17 Internal Audit Plan.

Governance Arrangements

Internal Audit will review the arrangements for Clinical and Care, Financial, Staff and Information Governance and overall Corporate Governance including Risk Management, Performance Reporting and Standing Orders and Financial regulations. This will provide an initial assessment of the robustness of the governance mechanisms in place to control and direct the IJB's activities and meet the requirements of national guidance and the IJB Integration Scheme. An important aspect of this audit will be ensuring that governance documentation and structures of the IJB and the parties reflect a shared understanding of the

IJB's role in assurance and in particular the IJB's responsibility for '*operational governance and oversight of integrated services*'.

Strategic Internal Audit Planning 2016-19

Internal Audit plans for next year and beyond can only be agreed once the Internal Audit arrangements for future years have been confirmed and will require input from the IJB Chief Officer, Chief Financial Officer and External Auditor as well as the Perth & Kinross Council and NHS Tayside Chief Internal Auditors. However, preparatory work is required now and a draft Audit Universe has been prepared for discussion between the relevant parties. For the moment, the universe is predicated on the assumption that the audit of operational delivery of services will remain with the NHS Tayside and Perth & Kinross Council's Internal Auditors but this may be subject to change as and when the role of the IJB evolves.

Planning will incorporate the key messages arising from the recent Audit Scotland report on HSCJ as will the governance review above. It is anticipated that Internal Audit arrangements for 2016/17 and beyond for Perth & Kinross IJB will be set out at the May 2016 Board meeting.

Annual Internal Audit Report

Once the Internal Audit Plan has been approved by the Perth & Kinross IJB, it will also be made available to relevant Committees of Perth & Kinross Council and NHS Tayside. At the year end, the Chief Internal Auditor will submit an Annual Internal Audit report reporting on the delivery of the Internal Audit plan, summarising key audit findings and recommendations and providing an opinion on the adequacy and effectiveness of internal control.

Jane Smith
Chief Finance Officer
Perth & Kinross Integration Joint Board

March 2016