



---

**REPORT TO: MORAY INTEGRATION JOINT BOARD AUDIT, PERFORMANCE AND RISK COMMITTEE ON 30 JANUARY 2020**

**SUBJECT: INTERNAL AUDIT UPDATE**

**BY: CHIEF INTERNAL AUDITOR**

**1. REASON FOR REPORT**

- 1.1 To provide the Committee with details of progress on projects contained within the Internal Audit plan for 2019/20 financial year.

**2. RECOMMENDATION**

**2.1 The Audit, Performance and Risk Committee is asked to:**

- i) consider progress against the audit plan to date, noting that while some projects have been taken forward, there is further work required to bring these to a formal conclusion; and
- ii) note that the audit assurances informing the annual audit opinion for the Moray Integration Joint Board (MIJB) for the 2019/20 year will continue to be drawn from the Council and NHS respectively.

**3. REPORT**

**3.1 Audit Planning**

- 3.1.1 Public Sector Internal Audit Standards (PSIAS) require the Internal Audit Manager to prepare and present reports to committee on internal audit's activity relative to the audit plan and on any other relevant matters.
- 3.1.2 Planned audit activity for the MIJB was agreed at the meeting of this committee on 19 September 2019 (para 12 of the draft Minute refers). The plan had limited inputs relative to the scale of the MIJB's responsibility to direct elements of social care within the council and defined activities delivered by the NHS. This was appropriate given that both the council and NHS continue to have their own separate and distinct internal audit arrangements.

- 3.1.3 It was envisaged at the outset that there would be opportunities for closer working between audit teams from the two bodies. This has been explored but only limited progress made, as outlined at para 3.7 below. Nationally, Audit Scotland has recently reported that ‘the pace of health and social care integration has been too slow and there is limited evidence to suggest any significant shift in spending from health to social care [https://www.audit-scotland.gov.uk/uploads/docs/report/2019/nr\\_191217\\_local\\_government\\_finance.pdf](https://www.audit-scotland.gov.uk/uploads/docs/report/2019/nr_191217_local_government_finance.pdf)’ On that basis the evolution of audit arrangements is likely also to take time.
- 3.1.4 The PSIAS nevertheless requires the Chief Internal Auditor to provide a written report to support the Annual Governance Statement published with the MIJB Annual accounts. This report should include an opinion of the overall adequacy and effectiveness of the control environment in which the MIJB operates. In practical terms, this has been and will continue to be secured by consideration of the systems of control framework of the council, with a focus on how it manages its main financial systems, and seeking similar assurances from the Internal Auditor for NHS Grampian.

### **Self Directed Support**

- 3.1.5 Although not an audit project per se, a contribution to development work in social care is secured by having a member of the audit team sitting on the working group that looks at this area. With self directed support a principal driver of change in the care sector, participation in this group keeps internal audit up-to-date with developments taking place. The auditor also provides an internal control perspective on updates to policies and procedures and advice on individual care packages where administrative issues arise.
- 3.1.6 A recent Audit Scotland report assessing the impact of self directed support (SDS) in reshaping care across Scotland referenced the report by the Care Inspectorate, the Thematic Inspection of SDS across six partnerships carried out in 2018/19. Nationally, the findings reported were:
- Most of the supported people and staff met were very positive about SDS and the principles and values of personalisation. In practice however, more needed to be done to inform, empower and enable people to fully participate.
  - In situations where SDS was effectively implemented, supported people found it transformational and experienced positive personal outcomes. However, effective SDS was not accessible to all.
  - Discussions and decisions about options, choice and control were not routinely documented in case records.
  - Partnerships were not consistently collecting, aggregating, analysing or reporting on personal outcomes. This was making it difficult to evaluate progress in SDS and to drive improvement.
- 3.1.7 Moray was one of six partnerships that received an SDS review by the Care Inspectorate to inform the national findings, and it received ‘good’ evaluations in all but one of seven areas covered in the inspection. The findings from this inspection were reported to the Clinical and Care Governance Committee on 28 November 2019 (para 7 of the draft Minute refers). It is intended that Internal Audit will continue to be represented on the SDS working group.

## **3.2 Specific topics in the Audit plan**

3.2.1 The audit work for the MIJB referred to in the audit plan for 2019 /20 covered the following area within social care:

- Adaptations governance
- Care Homes /Residential Nursing (excluding assessment criteria) and
- Equipment

## **3.3 Adaptations Governance**

3.3.1 The adaptations governance audit has considered the use of budgets provided by both social care and the housing service. Work has been undertaken to ascertain the process adopted from referral through to the completion of the adaptations necessary. The audit fieldwork has been completed and the file requires audit manager review prior to the draft audit report being issued to service management.

## **3.4 Care Homes/Residential Nursing (excluding assessment criteria)**

3.4.1 This audit has not been progressed and a terms of reference has still to be agreed. It is hoped that some work on this can be scheduled ahead of the financial year end, on the basis that a suitable terms of reference can be confirmed.

## **3.5 Equipment**

3.5.1 An audit of equipment has been completed that focused on the systems and procedures of the Occupational Therapy equipment store based in Pinefield, Elgin. An audit report has been prepared and issued in draft to the service manager for comment. A number of recommendations have been made to strengthen current systems and processes in place. A response is awaited at the time of drafting this report.

## **3.6 Learning Disabilities**

3.6.1 Internal audit work on learning disabilities was commenced and deferred in 2018 to enable the service to progress plans to undertake a comprehensive review of service provision; in particular involving a review of long standing contracts in place with external service providers. The intention remains to evaluate progress in due course of planned changes and progress achieved. Timing of this will be agreed with service management.

## **3.7 Joint working**

3.7.1 A discussion took place with internal auditors for Aberdeen City and Aberdeenshire Councils (who provide services to their respective IJBs) and with PriceWaterhouseCoopers (PwC) the appointed internal auditors of NHS Grampian regarding a planned audit of business continuity. This audit mainly related to primary care providers with reference to the role of the health and social care partners in the event of service failure. It was noted that those primary care providers who participated in the audit had some form of business continuity plans in place, however, only nine of 20 providers

sampled responded to the audit request for information. Business continuity arrangements in the council are being revisited at the present time to ensure they remain up to date and it is envisaged there will be liaison with Health and Social Care Moray regarding elements of social care.

### **3.8 Ad hoc works**

- 3.8.1 Work to follow up the recommendations made in the 'Carefirst Information Governance' audit completed last year has still to be undertaken.

## **4. SUMMARY OF IMPLICATIONS**

### **(a) Corporate Plan and 10 Year Plan (Local Outcome Improvement Plan (LOIP)) and Moray Integration Joint Board Strategic Plan "Moray Partners in Care 2019 – 2029"**

Not directly applicable.

### **(b) Policy and Legal**

The internal audit service is provided in terms of paragraph 7:1 of the Local Authority Accounts (Scotland) Regulations 2014, and there is a requirement to provide a service in accordance with published Public Sector Internal Audit Standards.

### **(c) Financial Implications**

No implications directly arising from this report.

### **(d) Risk Implications**

While limited progress has been made at this stage with delivery of the audit plan, there is still time to complete or take forward outstanding projects; in any event this will not impact on the ability to provide assurances on the control environment, which will continue to be drawn from the partner bodies.

### **(e) Staffing Implications**

No implications

### **(f) Property**

No implications.

### **(g) Equalities/ Socio Economic Impacts**

An Equalities Impact Assessment is not required as there are no changes or policy or procedures as a direct result of this report.

### **(h) Consultations**

There have been no consultations undertaken in respect of this report.

## **5. CONCLUSION**

### **5.1 This report provides information on progress re projects included in the audit plan.**

Author of Report:	Atholl Scott, Chief Internal Auditor
Background Papers:	Internal Audit Plan
Ref:	mijb/ap&rc/30012020