



Item No. 6

Meeting Date

Wednesday 22 February 2017

**Glasgow City
Integration Joint Board
Finance and Audit Committee**

Report By: Chief Internal Auditor to the Integrated Joint Board

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**INTERNAL AUDIT UPDATE
(SEPTEMBER 2016 – JANUARY 2017)**

Purpose of Report:	To present to the IJB Finance and Audit Committee details of the internal audit work undertaken at Glasgow City Council and NHS Greater Glasgow and Clyde that may have an impact upon the Glasgow City Integration Joint Board.
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Recommendations:	The IJB Finance and Audit Committee is asked to: a) note the content of the report.
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Implications for Integration Joint Board:

Financial:	None
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Personnel:	None
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Legal:	None
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Economic Impact:	None
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Sustainability:	None
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Sustainable Procurement and Article 19:	None
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Equalities:	None
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Implications for Glasgow City Council:	The internal auditors of the Council will continue to follow up on the recommendations arising from the reviews relating to Social Care services.
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Implications for NHS Greater Glasgow & Clyde:	The internal auditors of NHSGG&C will continue to follow up on the recommendations arising from the reviews relating to NHS services.
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1. Background

- 1.1 Both Glasgow City Council and NHS Greater Glasgow and Clyde have Internal Audit functions that conduct audits across each organisation and report the findings of these to the respective audit committees.
- 1.2 Members of the Integration Joint Board have an interest in the outcomes of audits at both Glasgow City Council and NHS Greater Glasgow and Clyde that have an impact upon the Integration Joint Board's ability to deliver the strategic plan.
- 1.3 This report provides a summary to the Glasgow City Integration Joint Board's Finance and Audit Committee of the Internal Audit activity at these organisations since the last update in September 2016 which may have an impact upon the delivery of the strategic plan.
- 1.4 As with all recommendations, the Chief Internal Auditor will monitor the implementation of these and summary information will be provided to a future IJB Finance and Audit Committee.

2. Glasgow City Council

- 2.1 In the period, the following Internal Audit reports have been issued to the Council, which are relevant to the Integration Joint Board:

Audit Title	Opinion *	Number and Priority of Recommendations		
		High	Medium	Low
Social Work Services Reports:				
Contract Management Framework	Reasonable level of assurance	1	3	0
Corporate Reports:				
Non Standard Working Payments	Satisfactory	0	0	0
TOTAL		1	3	0

2.2 In each audit one of four opinions is expressed:

- The control environment is satisfactory i.e. audit testing found no concerns with the control environment.
- A reasonable level of assurance can be placed upon the control environment i.e. audit testing found no major weaknesses in the control environment but some improvements could be made.
- A limited level of assurance can be placed upon the control environment i.e. improvements are necessary to ensure the control environment is fit for purpose.
- The control environment is unsatisfactory i.e. significant improvements are required before any reliance can be placed upon the control environment.

3. NHS Greater Glasgow and Clyde

3.1 In the period, the following Internal Audit reports have been issued to the NHS Greater Glasgow & Clyde, which are relevant to the Integration Joint Board:

Audit Title	Opinion	Number and Priority of Recommendations		
		High	Medium	Low
Waiting Times / Treatment Time Guarantee (Note i)	High	1	2	0
Key Financial Controls - Payroll	Medium	0	3	2
Key Financial Controls - Accounts Payable	Low	0	0	2
Key Financial Controls - General Ledger	Low	0	0	1
Performance Monitoring and Reporting in Acute Services	Low	0	2	0
Complaints Handling Procedures	Low	0	1	3
TOTAL		1	8	8

- 3.2 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 fines and consequences; or
- Moderate impact on the reputation or brand of the organisation.

Low risk indicates findings that could have a:

- Minor impact on the organisation's operational performance; or
- Minor monetary or financial statement impact; or
- Minor breach in laws and regulations with limited consequences; or
- Minor impact on the reputation of the organisation

3.3 Notes:

- (i) NHSGGC works proactively and has very detailed, timely and granular information which is available to those who make the operational and management decisions to manage waiting and treatment times. However, the audit found that, as at August 2016, there was a continued deterioration in performance against targets. The main weakness raised as a high rated risk finding is in respect of recovery plans which are required to address waiting list issues. The auditors were not provided with sufficient evidence that recovery plans are being prepared by the local Sector teams with any consistency or rigour. Recovery plans should be developed to address issues which have a direct impact on performance against waiting time targets. There was no evidence that agreed and targeted actions were being taken which have clear outcomes, to defined timescales and with responsibility for the action clearly identified.

Management advised that the Acute Division is currently reviewing and updating capacity plans for all acute specialties. Although some Recovery Plans exist it is accepted a more formal process of logging plans should be developed.

4. Recommendation

4.1 The IJB Finance and Audit Committee is asked to:

- a) note the content of the report.