
To: Renfrewshire Health and Social Care Integration Joint Board Audit, Risk and Scrutiny Committee

On: 19 June 2020

Report by: Chief Internal Auditor

Heading: Summary of Internal Audit Activity in Partner Organisations

1. Summary

- 1.1 The Renfrewshire Health and Social Care Integration Joint Board directs both Renfrewshire Council and NHS Greater Glasgow and Clyde to deliver services that enable the Renfrewshire Integration Joint Board to deliver on its strategic plan.
 - 1.2 Both Renfrewshire 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.
 - 1.3 Members of the Integration Joint Board have an interest in the outcomes of audits at both Renfrewshire Council and NHS Greater Glasgow and Clyde that have an impact upon the Integration Joint Board's ability to deliver the strategic plan or support corporate functions.
 - 1.4 This report provides a summary to the Renfrewshire Integration Joint Board's Audit committee of the Internal Audit activity undertaken within these partner organisations.
-

2. Recommendations

- 2.1 That the Integration Joint Board Audit Committee are asked to note the content of the report.
-

3. Renfrewshire Council Internal Audit Activity

- 3.1 The following Internal Audit reports have been issued to the Renfrewshire Council, which are relevant to the Integration Joint Board from 1 January 2020 to 31 May 2020

Audit Engagement	Assurance Level (note 1)	Number and Priority of Recommendations (note 2)			
		Critical	Important	Good Practice	Service Improvement
Information Security – Adult Services	Reasonable	0	2	2	0
General Ledger	Reasonable	0	2	2	1
Cloud Services	Limited	0	4	0	2

Note 1 – For each audit engagement one of four assurance ratings is expressed:

Substantial Assurance – The control environment is satisfactory

Reasonable Assurance – Weaknesses have been identified, which are not critical to the overall operation of the area reviewed

Limited Assurance – Weaknesses have been identified, which impact on the overall operation of the area reviewed

No Assurance – Significant weaknesses have been identified, which critically impact on the operation of the area reviewed

Note 2 – Each audit recommendation is assigned a priority rating:

Critical Recommendation - Addresses a significant risk, impacting on the area under review

Important Recommendation – Implementation will raise the level of assurance provided by the control system to acceptable levels

Good Practice Recommendation – Implementation will contribute to the general effectiveness of control

Service Improvement – Implementation will improve the efficiency / housekeeping of the area under review

3.1.1 Information Security – Adult Services

The objectives of the review were to ensure that client information is protected from unauthorised use and is securely stored when not in use; is archived in line with the council's Records Management Policy; arrangements are in place to ensure that Data Privacy Impact Assessments are undertaken when required; arrangements are in place to provide training on GDPR to relevant employees: procedures are in place to identify data breaches and report them to the council's Data Protection Officer; arrangements are in place to ensure that Data Privacy Impact Assessments are undertaken when required and staff demonstrated good awareness of procedures to be followed in relation to information security incidents.

The audit review provided reasonable assurance over arrangements in place for security of Adult Service's client information. It was recommended that Adult Service's management take steps to significantly increase the number of officers completing Data Protection and Information Governance ilearn modules and annual refresher training and review access to restricted folders.

3.1.2 General Ledger

The objective of the audit were to ensure that there were adequate controls in place to protect information and data from unauthorised access; coding structures were adhered to and strictly controlled with transactions being correctly coded and recorded; policies and procedures detail the accounting procedures to be followed and are available to all necessary staff and journals and internal transactions are appropriately authorised and recorded.

The Business World ledger staff guidance was found to be satisfactory. Recommendations have been made within the report to strengthen the controls surrounding general ledger password access, transaction coding and journal entry authorisation. Therefore, the Auditor has made a provision of reasonable assurance.

The new Password Policy has been implemented with the password controls from the 1 May 2020, in line with other Council Applications and ICT Guidance. Communication will be issued to ensure that correct coding is applied at the point of entry and to remind users of good practise with regards to the processing of journals.

3.1.3 Cloud Services

The objectives of the audit were to ensure that there is an appropriate strategy in place that governs the Council's vision and model for adoption and implementation of cloud data processing software services; there is a mechanism in place to identify all providers and brokers of cloud services with which the council currently does business and all cloud deployments that exist across the organisation; there is a clear methodology for assessing the contractual elements for proposed cloud data processing software services, which involves assessing business user, financial, legal, data and cyber security requirements; contracts/ Service Level agreements clearly define client and service provider roles, responsibilities and accountabilities and provide details on performance monitoring using measurable criteria and appropriate monitoring and escalation arrangements are in place to ensure that the cloud service provider complies with the determined contractual obligations on an ongoing basis.

The audit identified that there was scope to improve the current cloud security control environment, a number of issues were already known to management and which work is underway to address. Recommendations were identified in a number of areas including ensuring that all contracts are identified, recorded and have formal Cloud Security Assessments performed upon next renewal. It was also identified that processes would benefit from completion and implementation of a formal framework for supplier assurance and performance management to allow the Council to gain assurance that suppliers are meeting contractual requirements and maintain security operating environments.

Renfrewshire Council management have provided assurance to the Auditor that they have implemented the majority of the recommendations and the remainder will be progressed during the year and followed up as part of the annual audit follow up review.

4. NHS Greater Glasgow and Clyde Internal Audit Activity

- 4.1 The following Internal Audit reports have been issued to the NHS Greater Glasgow and Clyde Audit Committee from 1 January 2020 to 31 March 2020, which are relevant to the Integration Joint Board. A summary has been provided for those reports, with recommendations graded from improvements graded from effective to major improvement required. The internal audit service is provided by Scott Moncrieff.

Audit Review	Audit Rating (note 1)	Risk Exposure and Number of Recommendations (note 2)			
		Very High	High	Moderate	Limited
IJB Financial Information and Reporting	Effective	0	0	0	1
Medicines Reconciliation in Hospital	Substantial improvement required	0	4	4	1
Sickness Absence Follow Up	Substantial improvement required	0	1	2	0
Statutory and Mandatory Training	Minor improvement required	0	1	2	0

Note 1 – For each audit review one of four ratings is used to express the overall opinion on the control frameworks reviewed during each audit:

Immediate major improvement required – Controls evaluated are not adequate, appropriate, or effective to provide reasonable assurance that risks are being managed and objectives should be met.

Substantial improvement required - Numerous specific control weaknesses were noted. Controls evaluated are unlikely to provide reasonable assurance that risks are being managed and objectives should be met.

Minor improvement required - A few specific control weaknesses were noted; generally however, controls evaluated are adequate, appropriate and effective to provide reasonable assurance that risks are being managed and objectives should be met.

Effective - Controls evaluated are adequate, appropriate, and effective to provide reasonable assurance that risks are being managed and objectives should be met.

Note 2 – Each audit recommendation is assigned a risk exposure rating:

Very high risk exposure - major concerns requiring immediate senior management attention.

High risk exposure - absence / failure of key controls.

Moderate risk exposure - controls not working effectively and efficiently.

Limited risk exposure - controls are working effectively but could be strengthened.

4.1.1 IJB Financial Information and Reporting

NHS Greater Glasgow and Clyde (NHSGGC) has generally robust and effective processes in place to ensure that financial performance information in respect of Integrated Joint Boards (IJBs) is received by the health board on a regular basis. There is regular communication between NHSGGC and the IJB Chief Finance Officers that ensures any issues of performance against budget are identified and can be resolved on a timely basis. We also confirmed that there is an appropriate governance structure in place to ensure that IJB financial information is subject to regular and ongoing scrutiny within NHSGGC on both an individual and collective basis. Management agreed to implement the recommendation made.

4.1.2 Medicines Reconciliation in Hospital

As part of the scoping process for this review, management identified that there were known issues of compliance with the Medicines Reconciliation in Hospital Policy. As such, the review was structured so as to investigate the reasons for non-compliance, rather than provide assurance over the consistent application of the policy.

It was found that a number of areas could be improved to support more uniform application of the Medicines Reconciliation in Hospital Policy. Within the hospital context, junior doctors are expected to drive the medicines reconciliation process. However, it was found that there is no management information in place to ensure that reconciliations are completed as expected, which means consultants are unable to monitor the performance of junior doctors in this area. It was also found that there is no formal review or feedback process in place to identify issues of compliance or training needs.

NHSGGC should therefore prioritise implementation of the identified improvement actions to address the current issues of non-compliance with the Medicines Reconciliation Policy in order to realise the maximum possible benefit from the Hospital Electronic Prescribing and Medicines Administration (HePMA) rollout; and ensure ongoing patient safety.

The findings included in the management action plan have been agreed with the audit contacts and sponsor. A timeline for the completion of actions has also been agreed, the majority of the recommendations are future dated and will be followed up in line with the quarterly follow up process, as they fall due, and will be reported to the NHSGGC Audit Committee.

4.1.3 Sickness Absence – Follow Up

The 2018/19 review of Sickness Absence concluded that NHSGGC had a robust framework in place for managing sickness absence. It was also found however that line managers and supervisors were not consistently using this framework or adhering to documented processes. A number of improvement actions from that review designed to allow NHSGGC to support a reduction in sickness absence rates through consistent application of the framework.

During this follow-up review, it was found that individual and team compliance with the process is still inconsistent and this remains the main issue within our follow-up audit. We also noted that the delayed release of revised national guidance has hindered ongoing improvement activity on absence management but despite this progress has been made implementing the previous recommendations. NHSGGC has now established a framework for improvement initiatives, designed specifically to identify and address the root causes of sickness absence. It has been confirmed that this activity is beginning to yield results in some areas of the organisation.

NHSGGC should now build on these successes by adopting a more systematic approach to the planning and implementation of improvement initiatives across all areas. This would provide NHSGGC with a more refined means of improving overall sickness absence rates by driving continuous improvement in compliance with absence management processes across the organisation.

The majority of the recommendations are future dated and will be followed up in line with the quarterly follow up process, as they fall due, and progress will be reported to the NHSGGC Audit Committee.

4.1.4 Statutory and Mandatory Training

Since June 2018, NHS Greater Glasgow and Clyde (NHSGGC) has made a number of changes to improve completion rates for statutory and mandatory training. As a result, the board has increased overall completion rates for the nine statutory and mandatory training modules from 56% at June 2018 to 86% at September 2019. Whilst this represents a significant improvement, it was noted that completion rates have not yet met the 90% target set by the Staff Governance Committee for financial year 2019/20. The review identified three improvement actions that will strengthen the control framework and support attainment of the 90% target. Most notably, NHSGGC should clarify the escalation process to be undertaken when instances of non-completion of statutory and mandatory training by staff are identified.

Implications of the Report

- 1. Financial** - none.
- 2. HR & Organisational Development** - none.
- 3. Community Planning** - none.
- 4. Legal** - none.
- 5. Property/Assets** - none.
- 6. Information Technology** - none.
- 7. Equality & Human Rights** - none
- 8. Health & Safety** - none.
- 9. Procurement** - none.

10. Risk - The subject matter of this report is the matters arising from the risk based Audit Plan's for Renfrewshire Council and NHSGGC in which the IJB would have an interest.

11. Privacy Impact - none.

List of Background Papers – none.

Author: Andrea McMahon, Chief Internal Auditor