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

On: 18 March 2022

Report by: Assistant Chief Internal Auditor

Heading: Summary of Internal Audit Reports

1. Summary

- 1.1 A risk based Internal Audit Plan for 2021/22 was approved by the IJB Audit Committee on 12 March 2021. In line with the Public Sector Internal Audit Standards, Internal Audit must communicate the results of each engagement to the Board.
 - 1.2 Appendix 1 provides details of the completed audit engagements with the overall assurance rating and the number of recommendations in each risk category. The committee summaries are also attached.
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2. Recommendations

- 2.1 That the Integration Joint Board Audit, Risk and Scrutiny Committee are asked to note the content of the report.
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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 progress of the risk-based Audit Plan for the IJB.
 - 11. **Privacy Impact** - none.
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List of Background Papers – none.

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Appendix 1

Integration Joint Board Audit, Risk and Scrutiny Committee

Internal Audit Service

Summary of Final Audit Reports Issued

Engagement	Assurance Rating (note 1)	Recommendation Ratings			
		Critical	Important	Good Practice	Service Improvement
Governance Arrangements	Substantial	0	0	0	0
Budgetary Control	Substantial	0	0	0	0

Assurance Level	
Substantial Assurance	<ul style="list-style-type: none"> There is a sound system of internal control designed to achieve the objectives of the area being reviewed. The control processes tested are being consistently applied.
Reasonable Assurance	<ul style="list-style-type: none"> The internal control processes are generally satisfactory with some areas of weakness being identified that could put some objectives of the area being reviewed at risk. There is evidence that the level of non-compliance with some of the control processes may put some of the objectives of the area being reviewed at risk.
Limited Assurance	<ul style="list-style-type: none"> Weaknesses in the system of internal controls are such as to put the objectives of the area being reviewed at risk. The level of non-compliance puts the objectives of the area being reviewed at risk.
No Assurance	<ul style="list-style-type: none"> Control processes are generally weak with significant risk to the achievement of the objectives of the area being reviewed. Significant non-compliance with control processes leaves the processes/systems open to error or abuse.

Recommendation Rating	
Service Improvement	Implementation will improve the efficiency / housekeeping of the area under review.
Good Practice	Implementation will contribute to the general effectiveness of control.
Important	Implementation will raise the level of assurance provided by the control system to acceptable levels.
Critical	Addresses a significant risk, impacting on the objectives of the area under review.

Internal Audit Report

INTEGRATION JOINT BOARD



IJB - Corporate Governance Framework (B0017/2022/001)

Date: March 2022

COMMITTEE SUMMARY

Audit Objectives

The IJB have developed local governance arrangements that are designed to ensure compliance with, 'Delivering Good Governance in Local Government: Framework,' published by CIPFA. The objective of this audit was to review independently and report annually to the IJB Audit, Risk and Scrutiny Committee: -

1. To provide assurance on the adequacy and effectiveness of the Local Code of Corporate Governance and the extent of compliance with it.
2. To support the Chief Internal Auditor's annual opinion included in the Internal Audit Annual Report and the Governance Statement included in the Annual Accounts.

Audit Scope

1. Obtained an up-to-date copy of the IJB's Local Code of Corporate Governance and selected a sample of elements for compliance testing.
2. Obtained the appropriate evidence to confirm compliance with the Code.

Key Audit Assurances

1. The Local Code and Sources of Assurance for Governance Arrangements was updated and submitted to the IJB Audit, Risk and Scrutiny Committee on the 18th of June 2021.
2. Based on our sample check of the evidence used to demonstrate compliance, we would confirm that the IJB complies with the requirements of the Local Code of Corporate Governance.

Key Risks

No key risks were identified as a result of this audit.

Overall Audit Opinion

Internal Audit has reviewed the adequacy and effectiveness of the revised Code which was presented to the IJB Audit, Risk and Scrutiny Committee on 18th of June 2021. Based on our sample check of the evidence used to demonstrate compliance, we would confirm that the IJB complies with the requirements of the Local Code of Corporate Governance. In addition, it is evident that the Local Code has been subject to regular review and updating in line with developments in best practice.

Internal Audit Report
INTEGRATION JOINT BOARD



IJB – Budgetary Control (A0114/2022/001)
Date: March 2022

COMMITTEE SUMMARY

Audit Objectives

The objectives of the review were to:

1. Confirm that all budgets are being controlled by an appropriate budget holder, of sufficient seniority and knowledge to facilitate adequate monitoring of their budget.
2. Ensure that account codes used adequately describe and reflect the types of income or expenditure within the relevant cost centre, and procedures are in place to add or change account codes as required.
3. Assess the adequacy of processes in place to provide information to budget holders to enable them to monitor budgets, current spend and committed expenditure which may not be reflected in the ledger system or budget statements.
4. Confirm that all significant reported variances are adequately reviewed, explanations sought and where appropriate, corrective action taken to bring these variances in to line.
5. Review the procedure for preparing, processing, and authorising journal entries.
6. Ensure that adequate reporting arrangements are in place.

Audit Scope

1. Interviewed the appropriate staff to ascertain the system in place for monitoring and reporting on budgets.
2. Evaluated the controls within the system and prepared and carried a set of tests to ensure that the controls are operating satisfactorily.

Key Audit Assurances

1. Budgets are being controlled and monitored by competent budget holders in conjunction with members of the Finance Team. This process is underpinned by satisfactory procedures that provide sufficient budgetary information to facilitate effective budget monitoring.
2. The account codes used are generally well established and reflect the nature of the transactions within the cost centres. There is an adequate process in place to add to or amend these codes as required.
3. Significant variances are appropriately reviewed, explanations sought and where appropriate, corrective action is taken to bring these variances into line.
4. There is a satisfactory process in place for preparing, processing, and authorising journal entries.
5. Budgetary information is timeously reported to the relevant boards in the required format.

Key Risks

There were no key risks identified.

Overall Audit Opinion

There are adequate arrangements in place to enable satisfactory monitoring and reporting of budgets. The auditor has therefore made a provision of substantial assurance in the areas under review.