

Midlothian IJB Audit and Risk Committee



3 September 2020 at 2pm

MIJB Recommendations Internal Audit Follow-Up Review Completed Actions

Item number: 5.5

Executive summary

The purpose of this report is to provide information on Internal Audit actions flagged as completed during 2019/20 and confirm the adequacy of the new internal controls and governance of the Midlothian Health and Social Care Integration Joint Board (MIJB).

The Midlothian IJB Audit and Risk Committee is therefore asked to consider the progress made by Management in implementing Internal Audit recommendations to improve internal controls and governance of the Midlothian Health and Social Care Integration Joint Board.

MIJB Recommendations Internal Audit Follow-Up of Completed Recommendations

1 Purpose

- 1.1 The purpose of this report is to provide information on Internal Audit actions flagged as completed during the period 1 April 2019 to 31 March 2020 and confirm the adequacy of the new internal controls, risk management and governance arrangements of the Midlothian Health and Social Care Integration Joint Board (MIJB).

2 Recommendations

- 2.1 The MIJB Audit and Risk Committee is therefore asked to consider the progress made by Management in implementing Internal Audit recommendations to improve internal controls, risk management and governance arrangements of the Midlothian Health and Social Care Integration Joint Board.

3 Background and main report

- 3.1 Internal Audit reports include a section with management actions where recommendations are made to improve upon the existing internal controls, risk management and governance arrangements. These recommendations, following agreement with MIJB Management, are endorsed by the MIJB Audit and Risk Committee and are then updated by Internal Audit to the Council's performance management system, Pentana Performance, with a target completion date set.
- 3.2 MIJB Management are responsible for acting on the recommendations by the agreed due date and when complete, closing the recommendation on the Pentana Performance system. The Internal Audit plan includes follow up activity in relation to recommendations made and checks the completed recommendations to determine whether they have been implemented satisfactorily and thus give assurance over the ongoing improvement of internal control, risk management and governance arrangements.
- 3.3 During 2019/20, Internal Audit had meetings with officers on a quarterly basis and evaluated the completed audit actions to ensure there was evidence to address the risks that were identified in the audit actions.
- 3.4 In the period 1 April 2019 to 31 March 2020, 8 audit actions were completed by MIJB Management, including some previously longstanding actions from prior year Internal Audit reviews. These 8 completed audit actions were reviewed by Internal Audit and evidence was obtained to support their completion. All were found to have been completed satisfactorily with evidence of improved internal controls and governance arrangements, and reduced risk.

- 3.5 A summary is attached at Appendix 1 which details the completed MIJB Internal Audit actions in 2019/20 including notes from the Pentana system.
- 3.6 A further follow-up report will be presented to MIJB Management and the MIJB Audit and Risk Committee in December 2020 on progress with the MIJB Internal Audit recommendations still in progress.

4 Policy Implications

- 4.1 There are no direct policy implications arising from this report.

5 Equalities Implications

- 5.1 There are no direct equalities implications arising from this report.

6 Resource Implications

- 6.1 There are no direct resources implications arising from the proposals in this report.

7 Risk

- 7.1 The recommendations made by Internal Audit are directly related to reducing the level of risk that the MIJB is exposed to. These recommendations were raised to reduce financial, reputational, strategic and governance risks.

8 Involving people

- 8.1 The MIJB Chief Officer, Chief Finance Officer and Integration Manager have been involved in progressing the implementation of the Internal Audit recommendations and have reviewed this report in advance of its consideration by the MIJB Audit and Risk Committee.

9 Background Papers

- 9.1 Two follow-up audit recommendations reports are presented to the MIJB Audit and Risk Committee each year in accordance with the approved MIJB Internal Audit Annual Plan 2020/21.

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