



## Integration Joint Board Co-bhòrd an Amalachaidh

Internal Audit Follow Up Review

Risk Management

Final Report

8 June 2021

**INTEGRATION JOINT BOARD  
INTERNAL AUDIT FOLLOW UP REPORT  
RISK MANAGEMENT**

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**SECTION 1: EXECUTIVE SUMMARY**

**Introduction**

- 1.1 The Report has been prepared for the Integration Joint Board's Audit Committee. The original report advised of a number of recommendations made in the Risk Management report which was issued on 22 November 2019. The follow up review was undertaken in accordance with the operational annual internal audit plan for 2021/22.

**Internal Audit Objective**

- 1.2 Following up internal audit reports and assessing the level of compliance with recommendations made is an important part of the internal audit function.
- 1.3 In accordance with the remit detailed in the operational annual internal audit plan for 2019/20, our internal audit work was designed to obtain assurance that the original recommendations have been implemented. We obtained this assurance through internal audit testing and undertaking discussions with key personnel.
- 1.4 The main recommendations in the original report were:
- The strategic risk register needs to be reviewed to include the potential absence of key staff and other similar scenarios as well as updating responsible officers where appropriate;
  - In order to further promote information sharing and allow each partner organisation a full picture of risk, a unified risk register should be implemented showing all risks across both parent bodies;
  - An updated workforce strategy along with closer joined up working will be required to consider and plan to mitigate the current and medium term staffing matters affecting both parent bodies in the provision of services to the IJB;
  - In order to further promote risk management an integrated strategic risk management group should be implemented;
  - Documented processes should be implemented within the IJB by the Chief Officer whereby all senior staff in parent bodies provide formal assurance annually with regards to their responsibilities for providing key services to the IJB;
  - The Chief Officer should consider the signed statements of assurance on receipt and consider any significant matters along with other regulatory reports and audit reports in order to inform the disclosures in the Corporate Governance Statement.

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**Detailed Findings**

1.5 The current status of progress against the original recommendations can be summarised as follows:

**Key to Status**

-  Fully implemented;
-  Partly implemented, although further work is required to meet the objective of the recommendation; or
-  Insufficient progress to date

<b>Recommendations</b>	<b>Action to Date</b>	<b>Status</b>
Risk management strategy and policy to be reviewed with updated version made available to staff.	Insufficient progress to date	
Risk register to be reviewed to include absence of key staff and other similar scenarios as well as updating responsible officers where appropriate.	Fully implemented	
Unified risk register to be implemented showing all risks across both parent bodies.	Insufficient progress to date	
Review and update of website required.	Insufficient progress to date	
An updated workforce strategy along with closer joined up working will be required to consider and plan to mitigate the current and medium term staffing matters affecting both parent bodies in the provision of services to the IJB.	Insufficient progress to date	
Implementation of integrated strategic risk management group.	Insufficient progress to date	
Documented processes to be implemented within the IJB by the Chief Officer whereby all senior staff in parent bodies provide formal assurance annually with regards to their responsibilities for providing key services to the IJB.	Insufficient progress to date	
The Chief Officer should consider the signed statements of assurance on receipt and consider any significant matters along with other regulatory reports and audit reports in order to inform the disclosures in the Corporate Governance Statement.	Partly implemented	

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**Concluding Remarks**

1.6 From our follow up testing, we note that out of the 8 follow up recommendations made in the original report 1 appears to have been fully implemented, and management have confirmed that the remaining recommendations will be implemented by March 2022. **The new Chief Officer and Chief Financial Officer will address these issues and report back to the IJB Audit Committee by the end of the calendar year with regards to report progress.**

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8 June 2021

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**SECTION 2 - DETAILED FINDINGS AND RECOMMENDATIONS**

Action Recommended	Action By	Progress to Date	Action Outstanding
<b>2.1</b>			
Risk Management Strategy and policy to be reviewed with updated version made available to staff.	The Chief Officer April 2020	Due to the delay in appointing a Chief Officer of the Integration Joint Board and the progression of the Pandemic there has been no progress on all the recommendations to date.  It is proposed to action this fully by March 2022, with a progress report presented to the Integration Joint Board Audit Committee at the end of the calendar year, December 2021.	Recommendation to be implemented by March 2022 and Progress reported by management to the IJB Audit Committee in December.
Risk register to be reviewed to include absence of key staff and other similar scenarios as well as updating responsible officers where appropriate.	The Chief Officer December 2019	Completed.	None.
Unified risk register to be implemented showing all risks across both parent bodies.	The Chief Officer April 2020	Arrangements will be made to implement this across both parent bodies shortly.	Recommendation.

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<b>Action Recommended</b>	<b>Action By</b>	<b>Progress to Date</b>	<b>Action Outstanding</b>
<b>2.2</b>			
<p>Review and update of website required.</p> <p>An updated workforce strategy along with closer joined up working will be required to consider and plan to mitigate the current and medium term staffing matters affecting both parent bodies in the provision of services to the IJB.</p>	<p>The Chief Officer April 2020</p> <p>The Chief Officer December 2019</p>	<p>May need to identify budget source to revise the current website, which was established for a minimal fee of £50 however the site needs revised completely.</p> <p>This action is directly linked to the audit conducted on Financial Planning, Management and Savings recommendation noted as “The Financial Plan be further developed over a 3 year period and linked together with the updated Strategic Plan and Workforce Strategy.”</p>	<p>Website update required and funding identified.</p> <p>Recommendation.</p>

<b>Action Recommended</b>	<b>Action By</b>	<b>Progress to Date</b>	<b>Action Outstanding</b>
<b>2.3</b>			
<p>Implementation of integrated strategic risk management group.</p>	<p>The Chief Officer April 2020</p>	<p>The result will be part of the above recommendations. However the review of the CRR for the IJB should be with the support of the Risk Managers within NHS &amp; CnES with the formal reporting going for review at operational Integrated Corporate Management Team and then onwards to the IJB Audit Committee &amp; then the Board.</p>	<p>Discussion over process.</p>



**RESPECTIVE RESPONSIBILITIES OF MANAGEMENT AND INTERNAL AUDIT**

**Responsibility in Relation to Internal Controls**

It is the responsibility of the Comhairle's management to maintain adequate and effective financial systems and to arrange for a system of internal controls. Our responsibility as internal auditors is to evaluate the financial systems and associated internal controls. In practice, we cannot examine every financial implication and accounting procedure within an activity, and we cannot substitute for management's responsibility to maintain adequate systems of internal controls over financial systems. We therefore may not identify all weaknesses that exist in this regard.

**Responsibilities in Relation to Fraud and Corruption**

The prime responsibility for the prevention and detection of fraud and irregularities rests with management. They also have a duty to take reasonable steps to limit the opportunity for corrupt practices. It is our responsibility to review the adequacy of these arrangements, but our work does not remove the possibility that fraud, corruption or irregularity may have occurred and remained undetected.

We nevertheless endeavour to plan our internal audit work so that we have reasonable expectation of detecting material fraud, but our examination should not be relied upon to disclose all such material frauds that may exist.