
NORTH AYRSHIRE COUNCIL

13 September 2022

Audit and Scrutiny Committee

Title: Internal Audit Annual Update Report – North Ayrshire Integration Joint Board (IJB)

Purpose: To inform the Committee of the IJB's annual report for 2021/22 and the approved internal audit plan for 2022/23.

Recommendation: That the Committee notes the IJB annual report and approved internal audit plan.

1. Executive Summary

- 1.1 Section 21.7 of the North Ayrshire Integration Joint Board's Financial Regulations states: "The Integration Joint Board Chief Internal Auditor will submit an annual audit report of the Internal Audit function to the Chief Officer and the Performance and Audit Committee indicating the extent of audit cover achieved and providing a summary of audit activity during the year. As a minimum the annual audit report and Chief Internal Auditor's opinion will also be reported to the Audit Committees of the NHS Ayrshire & Arran Board and North Ayrshire Council".
- 1.2 The remit of the IJB's Performance and Audit Committee (PAC) includes the review of the overall internal control arrangements of NAIJB. The IJB annual report for 2021/22 and the proposed internal audit plan for 2022/23 were provided to the PAC on 24 June 2022.
- 1.3 The annual report and audit plan will also be provided for information to the Audit and Risk Committee of NHS Ayrshire and Arran on 23 November 2022.

2. Background

Annual Report 2021/22

- 2.1 The 2021/22 IJB internal audit plan was approved by the PAC in September 2021 and included a review of compliance with the CIPFA financial management code. This audit has been finalised and the findings are reported elsewhere on the agenda for this meeting. Substantial assurance was provided over the arrangements in place, and no areas for improvement were identified during the review.
- 2.2 The opinion on the control environment of the IJB is also influenced by the audit findings relating to the key systems of North Ayrshire Council and NHS Ayrshire and

Arran and by relevant audit work within service areas that are part of the Health and Social Care Partnership. The annual report on audit work within North Ayrshire Council was presented to the Audit and Scrutiny Committee of the Council on 31 May 2022. The annual report for NHS Ayrshire and Arran was presented to the Audit and Risk Committee of the NHS on 27 June 2022.

- 2.3 Based on the audit work carried out in the IJB and relevant work carried out in the parent bodies, my opinion is that reasonable assurance can continue to be placed on the adequacy and effectiveness of the IJB's systems of governance, risk and internal control.

Internal Audit Plan 2022/23

- 2.4 The internal audit plan for 2022/23 was approved by the PAC on 24 June 2022. The IJB has its own audit plan which includes 25 days drawn from the Internal Audit service of North Ayrshire Council and 10 days from NHS Ayrshire and Arran.
- 2.6 Within the 25 days allocated by North Ayrshire Council, 10 days have been set aside to fulfil the IJB Chief Internal Auditor role; this will include preparing reports for the IJB, attending meetings and providing training and support to members of the IJB Performance and Audit Committee.
- 2.7 The remaining 15 days were left unallocated, for the approval of the PAC. It was agreed that the 15 days will focus on the IJB's arrangements towards community engagement.

3. Proposals

- 3.1 It is proposed that the Committee notes the North Ayrshire Integration Joint Board annual report for 2021/22 and the approved internal audit plan for 2022/23.

4. Implications/Socio-economic Duty

Financial

- 4.1 None.

Human Resources

- 4.2 None.

Legal

- 4.3 None.

Equality/Socio-economic

- 4.4 None.

Climate Change and Carbon

4.5 None.

Key Priorities

4.6 The work of Internal Audit helps to support the efficient delivery of the IJB's strategic priorities.

Community Wealth Building

4.7 None.

5. Consultation

5.1 In preparing the draft IJB audit plan, consultation has taken place with the Director and the Chief Finance and Transformation Officer of the North Ayrshire IJB and with the internal auditors of the East and South Ayrshire Integration Joint Boards.

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For further information please contact **Laura Miller, Senior Manager (Audit, Fraud, Safety and Insurance)**, on **01294 324524**.

Background Papers

None.