



Western Isles Integration Joint Board

**Internal Audit Report**

**Management Action Follow-up – Part 2**

May 2024



# Western Isles Integration Joint Board

## Internal Audit Report

### Management Action Follow-up – Part 2

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# Introduction and background

## Introduction

As part of the 2023/24 internal audit programme we have completed two follow up exercises to provide the Audit Committee with assurance that management actions agreed in previous internal audit reports have been implemented appropriately. This report summarises the progress made by management in implementing agreed management actions.

## Scope

In May 2024 we reviewed all open management actions and liaised with Western Isles Integration Joint Board staff to obtain an update on their implementation progress.

We have reassessed the actions raised by the previous internal auditors using the Azets risk gradings and have outlined these in Appendix 2.

## Action for Audit Committee

The Committee is asked to note the progress made by management in implementing agreed management actions. The Committee is also asked to consider and approve those actions for which revised timescales have been provided by management (these are detailed at Appendix 2).

# Summary of progress

The table below shows the movement in the Western Isles Integration Joint Board's audit actions tracker in the period to May 2024:

	Number of Actions
Open actions brought forward	20
Actions added to tracker	-
<b>Total actions to follow-up</b>	<b>20</b>
Actions closed	3
Action closed pending evidence	2
<b>Open actions carried forward</b>	<b>15</b>

## Status of Actions as at May 2024

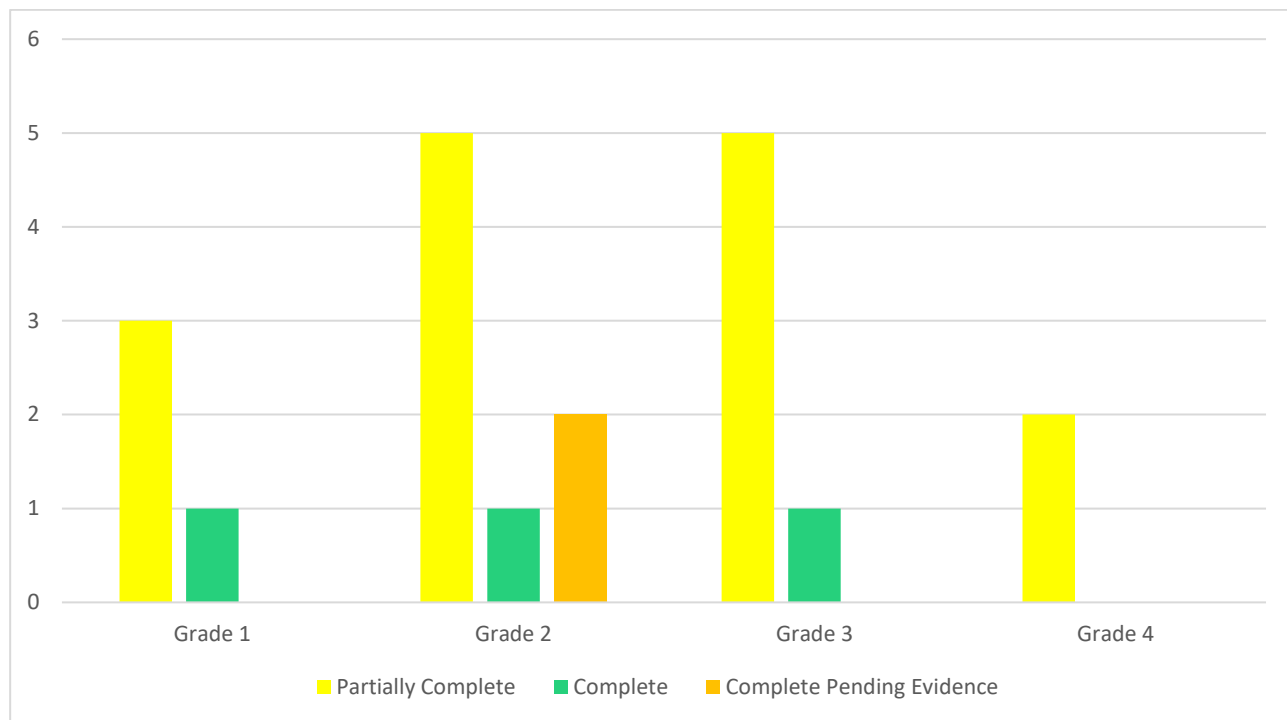


We have confirmed three (15%) actions are complete, two (10%) actions are complete pending the provision of evidence and 15 (75%) are partially complete. Seven of the overdue actions are graded as high or very high risk five of the actions are substantially aged, dating back to 2019/20. Further detail on all outstanding actions is included at Appendix 2.

Limited progress has been made completing open actions in the period and we recommend that management prioritise completing those actions that are assessed as Grade 3 and Grade 4 and those which are now aged.

A summary of the status of actions by report is shown at Appendix 1.

## Status by Grading



Appendix 2 sets out the current status of actions classed as “partially complete” based on updates provided by management.

# Appendix 1: Action status by report

Report title	Complete	Partially complete	Complete Pending Evidence	Total
Risk Management		2		2
Financial Planning, Management and Savings		1		1
Business Continuity Planning and Disaster Recovery		2		2
<b>2019/20 sub-total</b>		<b>5</b>		<b>5</b>
Workforce Planning and Organisational Development		2		2
Consultation, Participation and Engagement	1			1
Scheme Review		1		1
<b>2020/21 sub-total</b>	<b>1</b>	<b>3</b>		<b>4</b>
Workforce Management Information	1	3	1	5
Strategic Planning		4	2	6
<b>2022/23 sub-total</b>	<b>1</b>	<b>7</b>	<b>3</b>	<b>11</b>
<b>Grand totals</b>	<b>2</b>	<b>15</b>	<b>3</b>	<b>20</b>

## Appendix 2: Summary of outstanding actions

Report	Recommendation	Action Owner	WI Council Grade	Azets Grade	Original timescale	Revised timescale	Management Update May 2024	Status
<b>T10 - 2020/21 Workforce Planning and Organisational Development</b>	<p>An Integrated Workforce Plan is implemented with progress on action points communicated regularly to the board.</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>	Chief Officer	1	4	Review by April 21	June 24	The Chief Officer will present an overarching workforce strategy position statement to be accompanied by workforce strategies from both NHSWI and CnES	<b>Partially Complete</b>

Report	Recommendation	Action Owner	WI Council Grade	Azets Grade	Original timescale	Revised timescale	Management Update May 2024	Status
<b>T18 - 2021/22 Scheme Review</b>	<p>Consideration is given to whether a full review of the integration scheme is still required as per the original requirements of the IJB.</p> <p>An update should be provided to the IJB and Scottish Government regarding the status of the scheme review with any future amendments approved, as necessary.</p> <p>Where any amendments are made to the current scheme, any successor scheme should be placed on the website</p>	Chief Officer	1	4	Once the system moves out of emergency footing	June 24	Following a meeting of the IJB (February 24) a further review of the scheme is being undertaken to be presented in draft to the IJB at June series. Consultation with partner bodies will then follow.	<b>Partially Complete</b>



Report	Recommendation	Action Owner	WI Council Grade	Azets Grade	Original timescale	Revised timescale	Management Update May 2024	Status
<b>T6 - 2019/20 Risk Management</b>	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.	Chief Officer	2	3	Apr 20	June 24	<p>The Chief Officer has been undertaking a piece of work regarding governance of ICMT and reporting to the IJB Board along with the escalation processes in place.</p> <p>The review of the Scheme of Integration will address the enhanced governance arrangements to provide assurance to the IJB re the management of strategic risks</p>	<b>Partially Complete</b>
<b>T7 - 2019/20 Financial Planning, Management and Savings</b>	Strategic plan/refresh to be reviewed as required and current plan to be made available online.	Chief Officer	3	1	Dec 19	June 24	<p>The draft strategic framework was developed and is in the consultation phase with a paper going to the Board in February 24</p> <p>The draft Strategic Framework is currently at consultation and is due to complete for June 22024 series</p>	<b>Partially Complete</b>

Report	Recommendation	Action Owner	WI Council Grade	Azets Grade	Original timescale	Revised timescale	Management Update May 2024	Status
<b>T15 - 2019/20 Business Continuity Planning and Disaster Recovery</b>	Implementation of Business Continuity policy statement along with formal annual assurance being sought from partner organisations that Business Impact Assessments have been carried out and appropriate Business Continuity arrangements are in place.	Chief Officer	2	3	Apr 20	June 24	A revised escalation framework has been developed alongside the review of the Scheme of Integration. To be presented June 24	<b>Partially Complete</b>
<b>T16 - 2019/20 Business Continuity Planning and Disaster Recovery</b>	Formal annual assurance should be given by each partner organisation confirming whether the necessary IT systems and controls have been tested and are operating effectively and whether adequate budgetary provision has been made to enable this to take place.	Chief Officer	2	3	Jan 20	June 24	Letter of assurance received from CnES re cyber security	<b>Partially Complete</b>

<b>2022/23 Workforce Management Information</b>	<p>The IJB should formally agree, document and communicate the workforce performance information required to provide assurance that there are appropriate arrangements in place within the partner bodies to recruit and retain the required workforce to deliver integrated services. In line with good practice, it is suggested that the request should cover the following:</p> <ul style="list-style-type: none"> <li>• Content and format of reporting - the metrics and information required i.e. quantitative or qualitative. These should provide coverage of all key workforce areas for example recruitment/vacancies, staff turnover levels, shift fill rates, sickness and other absence rates, staff survey/satisfaction outcomes and training.</li> <li>• Roles and responsibilities.</li> <li>• Frequency of reporting to the IJB and a timetable for the production of data.</li> <li>• The process for senior managers to quality assure the data before it is reported to the IJB.</li> </ul> <p>The IJB should review the workforce KPIs in the current Performance</p>	Chief Officer		3	Dec 2023	Sept 2024	Chief Officer recommends (through ICMT) that workforce reports pertaining to NHSWI and CnES be presented at IJB for the September series.	<b>Partially Complete</b>
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Report	Recommendation	Action Owner	WI Council Grade	Azets Grade	Original timescale	Revised timescale	Management Update May 2024	Status
	Management Framework document and confirm whether these remain relevant and should be included in any future reporting.							
<b>2022/23 Strategic Planning</b>	Management should provide a clear timeline to complete the strategic planning cycle, including Board approval.	Chief Officer		3	Dec 2023	June 24	Strategic Framework is out to consultation. The Framework sets out a set of principles that will inform annual cycle of commissioning through issuing of directions to CnES and NHS WI	<b>Partially Complete</b>
<b>2022/23 Workforce Management Information</b>	The IJB should ensure that workforce reports include data on staff turnover and the KPIs linked to the workforce plan and other workforce related targets. This recommendation is linked to MAP 1.1. Management should reflect on the reporting capacity of the IJB and consider whether the Chief Financial Officer is the most appropriate person to produce regular IJB workforce reports.	Chief Officer		2	Dec 2023	Sept 2024	Chief Officer recommends (through ICMT) that workforce reports pertaining to NHSWI and CnES be presented at IJB for the September series...	<b>Partially Complete</b>

Report	Recommendation	Action Owner	WI Council Grade	Azets Grade	Original timescale	Revised timescale	Management Update May 2024	Status
<b>2022/23 Workforce Management Information</b>	Management should include details of relevant mitigating actions within the body of the workforce reports. The IJB should ensure that all relevant actions are recorded on the IJB action log with clear owners and due dates so that progress can be monitored and the IJB can be assured that appropriate action is being taken.	Chief Officer		2	Aug 2023	June 24	The workforce leads from NHSWI and CnES present quarterly workforce reports to iCMT	<b>Partially Complete</b>
<b>2022/23 Strategic Planning</b>	<p>Management should ensure that the IJB Board is provided with a timescale outlining when underlying plans should be produced. In addition strategic plans should address medium- and long-term activities.</p> <p>The Health and Social Care Strategic Framework 2023-2026 document should address how it will ensure alignment with strategic vision and objectives of underlying plans.</p>	Chief Officer		2	Sept 2023		The strategic framework document has been developed.	<b>Complete Pending Evidence</b>

Report	Recommendation	Action Owner	WI Council Grade	Azets Grade	Original timescale	Revised timescale	Management Update May 2024	Status
<b>2022/23 Strategic Planning</b>	<p>Management should ensure that actions within the strategic framework and plans are sufficiently SMART, where these actions are derived from national outcomes additional context and supporting SMART actions should be documented.</p> <p>In addition they should also ensure the Health and Social Care Strategic Framework 2023-2026 document complies with the legislative requirements.</p>	Chief Officer		2	Dec 2023	Feb 24	Strategic Framework is out to consultation. The Framework sets out a set of principles that will inform annual cycle of commissioning through issuing of directions to CnES and NHS WI	<b>Partially Complete</b>
<b>2022/23 Strategic Planning</b>	Management should ensure that the strategic context is adequately addressed in the Health and Social Care Strategic Framework 2023-2026 document.	H&SC P Senior Leadership Team		2	Dec 2023		The strategic framework document includes a PESTEL analysis and outcome measures included in the document are linked to the MSG indicators.	<b>Complete Pending Evidence</b>

Report	Recommendation	Action Owner	WI Council Grade	Azets Grade	Original timescale	Revised timescale	Management Update May 2024	Status
<b>2022/23 Strategic Planning</b>	Management should develop an outline communication and engagement plan, aligned with strategic plans development (MAP 1.1) which clearly identifies when and how stakeholders, both internal and external will be involved in the strategic planning process.	Chief Officer		2	Dec 2023	Feb 24	The Strategic Framework is currently at consultation in line with national guidance / practice	<b>Partially Complete</b>
<b>2022/23 Strategic Planning</b>	Management should clarify the roles and responsibilities for strategic planning with the planning framework document, ensuring that this complies with the integration legislation. In addition any terms of reference or job descriptions should be updated accordingly. Management should also ensure the Integration Joint Board is provided with assurance that the strategic plan develop process complies with legislation.	Chief Officer		2	Mar 24	June 24	The Chief Officer has undertaken and exercise to identify corporate support and has documented this for presentation to the Board in Feb 24. Document co-produced with CEO's re corporate support	<b>Partially Complete</b>

Report	Recommendation	Action Owner	WI Council Grade	Azets Grade	Original timescale	Revised timescale	Management Update May 2024	Status
<b>T1 - 2019/20 Risk Management</b>	Risk management strategy and policy to be reviewed with updated version made available to staff.	Chief Officer	3	1	Apr 20	Jun 24	The risk strategy and policy have now been updated and include the Risk Appetite Statement of the Board. The current risks are in the process of being moved over onto DATIX and this should be complete for the June 2024 series	<b>Partially Complete</b>
<b>T11 - 2020/21 Workforce Planning and Organisational Development</b>	Strategic documentation published on the website to be updated with the latest versions. Including Spending plans, annual accounts and annual reports and Publication scheme to be reviewed and updated.	Chief Officer	3	1	Apr 21	June 24	A redeveloped IJB website (hosted through NHS WI) has been developed and supports the publication of governance documents pertaining to the performance of the IJB	<b>Partially Complete</b>



# Appendix 3: WI Council Risk Categorisations

Grade	Description
Grade 1	<p><b>Critical</b> – High Likelihood, High Impact (HH)</p> <p>The weakness is almost bound to happen or is already happening (likelihood) and could have a significant impact on the Comhairle’s services, reputation, control, financial position, statutory, regulatory or constitutional compliance if not contained.</p>
Grade 2	<p><b>Contingent/Insurable Risk</b> – Low Likelihood, High Impact (LH)</p> <p>The weakness is unlikely to happen but would have a significant impact on the Comhairle’s services, reputation, control, financial position, statutory, regulatory or constitutional compliance if it did occur.</p>
Grade 3	<p><b>Housekeeping</b> – High Likelihood, Low Impact (HL)</p> <p>The weakness is almost bound to happen or is already happening but is unlikely to have a material impact on the Comhairle’s services, reputation, control, financial position, statutory, regulatory or constitutional compliance, and can be contained.</p>
Grade 4	<p><b>Value for Money</b> – High Likelihood, Value for money impact (HV)</p> <p>The weakness is almost bound to happen or is already happening but if contained would have a positive impact on economy, efficiency and effectiveness in the use of resources.</p>

# Appendix 4: Azets Risk Categorisations

## Management action grades

4	•Very high risk exposure - major concerns requiring immediate senior attention that create fundamental risks within the organisation.
3	•High risk exposure - absence / failure of key controls that create significant risks within the organisation.
2	•Moderate risk exposure - controls are not working effectively and efficiently and may create moderate risks within the organisation.
1	•Limited risk exposure - controls are working effectively, but could be strengthened to prevent the creation of minor risks or address general house-keeping issues.

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