IJB Audit & Risk Committee 02.09.26
Agenda Item: 5.1.1
Purpose: For Discussion

Western Isles Integration Joint Board
Internal Audit Report
Management Action Follow Up – Q2 2026/27

September 2026

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Introduction and background

Introduction

As part of the internal audit programme we complete a follow up review to provide the Audit and Risk 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

We review all open management actions and liaise with Western Isles Integration Joint Board staff to obtain an update on their implementation progress. For recommendations graded priority 3 or above, we request evidence to validate completion of any actions marked for closure by management.

Action for Audit and Risk Committee

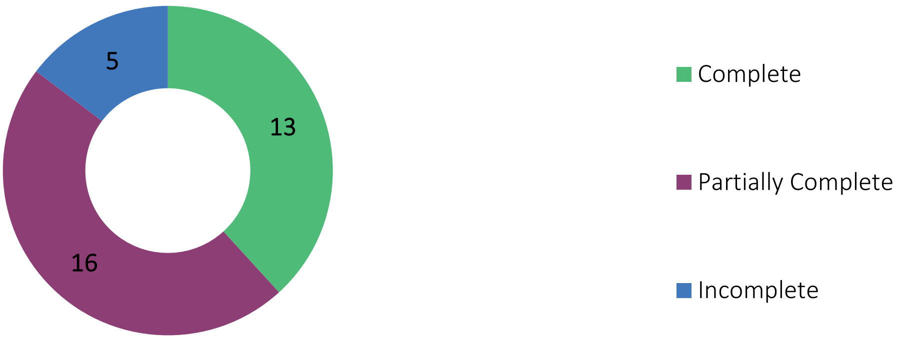
The Committee is asked to note the progress made by management in implementing agreed management actions. The Committee is also asked to consider and approve those actions for which revised timescales have been provided by management (these are detailed at Appendix 2).

Summary of progress

The table below shows the movement in the Western Isles Integration Joint Board audit actions tracker in the period to September 2026:

	Number of Actions
Open actions brought forward	24
Actions added to tracker	10
Total actions to follow-up	**34**
Actions closed	13
Open actions carried forward	**21**

Status of Actions as at September 2026



We have confirmed that 13 actions (38%) were completed in the period to September 2026, 16 actions (47%) have been assessed as partially complete and five (15%) as incomplete.

We have confirmed with management that work is ongoing to progress the outstanding actions and revised due dates have been provided in all cases. Further detail on all outstanding actions is included at Appendix 2.

Particular attention should be paid to those actions that have passed their original due date for completion over the next quarter, particularly the aged items.

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

Status by Grading

	Complete	Partially complete	Incomplete
1	1	1	
2	3	11	5
3	4	2	
4		1	
Advisory	1		
N/A	4	1	
Total	13	16	5

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

Appendix 1: Action status by report

Report title	Complete	Partially complete	Incomplete	Total
Financial Planning, Management and Savings		1		1
Risk Management	1			1
2019/20 Sub-Total	1	1		2
Scheme Review		1		1
2021/22 Sub-Total		1		1
Strategic Planning		4		4
2022/23 Sub-Total		4		4
Corporate Governance	1		1	2
Financial Planning	1	1	1	3
2023/24 Sub-Total	2	1	2	5
Cyber Security	4	1		5
Risk Management	3	4		7
2024/25 Sub-Total	7	5		12
Corporate Governance	3	4	3	10
2025/26 Sub-Total	3	4	3	10
Grand totals	13	16	5	34

Appendix 2: Summary of outstanding actions

Report	Recommendation	Action Owner	Grade	Original timescale	Revised timescale	Update September 2026 Follow Up	Status
2019/20 Financial Planning, Management and Savings	Strategic plan/refresh to be reviewed as required and current plan to be made available online.	Chief Officer	1	Dec 19	Nov 26	Azets Note The IJB have approved the timeline for the Strategic Plan refresh. Once the Strategic Plan has been developed, formally approved and published online, this action will be considered for closure.	Partially Complete
2021/22 Scheme Review	Consideration is given to whether a full review of the integration scheme is still required as per the original requirements of the IJB. 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. Where any amendments are made to the current scheme, any successor scheme should be placed on the website.	Chief Officer	4	Once the system moves out of emergency footing	~~Jun 26~~ Sep 26 for CnES & NHS Western Isles approvals. Minister approval timeframe tbc.	A revised Scheme has been approved by the IJB and submitted to Scottish Government officials. The Scheme will require to be approved by the parent bodies at the September series and then Scottish Government will formally consider the document.	Partially Complete

2022/23 Strategic Planning	Management should provide a clear timeline to complete the strategic planning cycle, including Board approval.	Chief Officer	3	Dec 23	Nov 26	Timeline and approach agreed by the IJB at the June Development session. Two workshops have been held in July with senior officers to commence the framing of content in keeping with the decisions of the IJB on areas for priority consideration. ICMT have approved the areas defined and a refined document will be worked on at a workshop on the 24th of August and an updated Report will be considered at the September meeting of ICMT and then the IJB.	Partially Complete
2022/23 Strategic Planning	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. 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.	Chief Officer	2	Sep 23	Nov 26	Azets Note The IJB have approved the timeline for the Strategic Plan refresh. Once the Strategic Plan, incorporating medium- and long-term activities, has been developed, formally approved and published online, this action will be considered for closure.	Partially Complete

2022/23 Strategic Planning	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 23	Nov 26	Engagement Plan for the production of a draft for wider consideration has been agreed as per the Development Day summary. The engagement process for further internal and external stakeholders will be included in the update to the September IJB.	Partially Complete
2022/23 Strategic Planning	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	Nov 26	Azets Note Further evidence is required that roles and responsibilities/job descriptions are being updated.	Partially Complete
2023/24 Financial Planning	Recommendations were previously raised in the 2022/23 Strategic Planning Audit regarding the update of the strategic documents (Map 1.1 and Map 1.2) which remain outstanding. As	Chief Officer and Chief Financial Officer	2	Feb 25	Nov 26	Chief Financial Officer produces an annual budget and a 3 year financial budget based on information available. Scottish Government are undertaking annual budgeting so the in-year budget is the most accurate.	Partially Complete

	part of this we recommend the strategic documents are updated to reflect the three-year timeframe covered by the financial plan to ensure they are aligned with the financial capabilities of the Board. As part of the financial planning process, the partnership should review the strategic objectives for the coming year and determine whether any revisions need to be made. This should follow the initial draft budget so that there is clear oversight of financial pressures and achievable expectations are set.					The CFO will work together with the CO by November 2026 to ensure strategic budget are aligned with the three-year plan but also noting that due to annual budgeting by SG the budget for the following year may decrease further.	
2023/24 Financial Planning	As part of the draft clinical escalation process, the process should detail the timescales for each level of respondent. When issues are identified, the proposed and agreed resolutions should be documented in an action plan with assigned owners and deadlines for completion. Additionally, the IJB should consider alternative reporting arrangements if responses are not	Chief Officer and Chief Financial Officer	2	Sep 24	Jun 26	Management Comment Any changes in clinical requirement or need that will result in a financial variation which may include cost pressures will be taken to the relevant partners CMT and ICMT - CO and CFO work together to ensure all financial risks are reported on in key governance reports. Each report whether to partners governance committee or IJB governance	Incomplete

	received in a timely manner, such as the option to report directly to the Board or Audit & Risk Committee in order to resolve delays to responses.					committees have to be signed off by relevant financial officer. Azets Note This recommendation related to management developing an estimated timeframe alongside the escalation framework to outline how quickly each layer of governance should take to respond/take decision on an issue escalated. This would not result in any additional costs to the partners and would solely be updating policy/supporting documents.	
2023/24 Corporate Governance	We recommend the Board and Audit and Risk Committee complete an annual self-assessment checklist which is utilised to identify and address any issues raised. Best practice guidance is available concerning the content of self-assessments. The results of the exercise should then be collated and used to agree actions to address any identified issues.	Board Chair and Audit and Risk Committee Chair	2	Sept 24	~~Sept 26~~ Nov 26	Scheduled for the November IJBARC given competing priorities and the delay will not impact on the learning to be derived for the 2027 intake of new members, allowing time for training and documentation to be refreshed as appropriate.	Incomplete
2024/25 Risk Management	The Chief Officer should document the risk identification approach within the Risk	Chief Officer	2	Jun 25	Jun 26	Azets Note	Partially complete

	Management Strategy to clearly outline: • Who is responsible for risk identification. • How risks are identified and assessed. • How relevance to the IJB is determined. • How risk escalation works between the parent organisation and IJB.					Upon review it was determined further clarity was required on the risk appetite definitions/scoring within the strategy which would require minor amendment prior to completing the action.	
2024/25 Risk Management	Management should clearly align the risk appetite categories to the risk scores to ensure they can be consistently applied.	Chief Officer	2	Jun 25	Jun 26	Azets Note Upon review it was determined further clarity was required on the risk appetite definitions/scoring within the strategy which would require minor amendment prior to completing the action.	Partially complete
2024/25 Risk Management	The Chief Officer should update the risk register, including: • All date references, ensuring the last update, next update and target update dates are accurate and achievable.	Chief Officer	2	Jun 25	Jun 26	Azets Note The Strategic Risk Register presented at the June IJB ARC meeting did not reflect the areas identified within this recommendation. A new risk register template was presented which will be used by the IJB going forward. However, until this format has been presented to the IJB ARC	Partially complete

	• Updating the risk appetite statement to make clear the date it was last updated. • Assign risk appetite categories to each risk in the register. • Ensure the assigned ‘aim’ is aligned with the current and target risk scores. In addition, per MAP 1.1 management should ensure there is a clear process for identifying and documenting emerging risks and that there is clear evidence of discussion by the ARC and Board. Further, management should consider the addition of a cyber incident risk on the IJB strategic risk register given the direct impact an incident may have on the IJB.					for review, this action will remain partially complete.	
2024/25 Risk Management	The Chief Officer should consider: • Clarifying risk scoring terminology:- Inherent Risk: The level of risk in the absence of all but the most basic of control measures.- Residual Risk: The level of risk at the current stage of implementation of control measures.- Target Risk: The level	Chief Officer	2	Jun 25	~~Jun 26~~ Mar 27	A programme of work will be undertaken to refresh the backing documentation for Strategic Risks and the review of operational risk at ICMT.	Partially complete

	of risk which it is expected to be achieved with full and effectiveimplementation of available control measures/mitigating actions. • Creating more detailed action plans that outline specific steps to be taken to mitigate each risk. Eachrisk should have a risk owner and a clear action owner. This will allow IJB to better track and managethe actions. • Given the large gaps between current and target scores, it is important to assess whether these targetscores and the target date to achieve aim are realistic. Review the mitigating actions and the timescale to ensure they are gradually reducing risk exposure.						
2024/25 Cyber Security	The IJB should request confirmation from the Comhairle that there are robust cyber security supply chain due diligence processes in place. This should primarily focus on those systems that represent highest risk to the IJB's processes.This should include assurance that all	Chief Officer	N/A	Mar 26	~~Jun 26~~ Nov 26	In progress, work being undertaken to obtain the level assurance as detailed in the May 2026 Cyber Security – Follow Up audit report.	Partially complete

	system suppliers are subject to appropriate security due diligence as part of procurement processes and that the Comhairle has processes for gaining ongoing assurance that the system supplier maintains robust security. Confirmation should also be sought that the supplier has current cyber incident response plans and that these are regularly tested to confirm they are effective. Assurances should also be sought to confirm that suppliers maintain appropriate and secure backups.						
2025/26 Corporate Governance	We recommend that the IJB ensures all core governance documents identified within this finding are updated and approved in line with the planned timeframes and circulated to members once finalised.	Chief Officer	3	Jun 26	Mar 27	The focus of core governance documentation has been the Integration Scheme. The Risk Strategy and Register and the Strategic Plan. The Plan is the current priority area. The workplan is in place and will be kept under review to ensure all documentation is updated and captures in a programme of review.	Partially complete
2025/26 Corporate Governance	We recommend that revision history tables are added to each governance document to provide	Chief Officer	2	Jun 26	Mar 27	A paper is being presented to the IJB ARC meeting outlining the introduction of a document control	Partially complete

	clarity over revision dates and updates made.					section within all policies, at the point of initial establishment or review, to strengthen oversight and improve the management of controlled documents. The paper being presented will seek both the Committee and Internal Auditors agreement that the outstanding recommendation will be closed as a result of the evidence provided.	
2025/26 Corporate Governance	We recommend the IJB implement a formal annual process requiring members to review the Code of Conduct and confirm their continued understanding and acceptance. This should be documented within existing governance documentation and undertaken at the beginning of each financial year.	Chief Officer	2	Jun 26	Mar 27	National discussion pertaining to this will be included in the self-assessment outcome to ascertain any areas for review as part of the refresh of governance arrangements for induction and annual refresh.	Partially complete
2025/26 Corporate Governance	We recommend that the IJB updates the Communication Strategy to replace the expired 2016–2019 version. The updated strategy should clearly define communication channels, roles, responsibilities, and expected	Chief Officer	2	Jun 26	Mar 27	Not actioned given core governance priorities. Included in the review of documentation.	Incomplete

	processes for sharing information both internally and externally. Once finalised, it should be communicated to all relevant stakeholders to ensure consistent and transparent communication across the partnership.						
2025/26 Corporate Governance	The IJB should review and approve an update to the existing member induction handbook to reflect current statutory duties, strategic priorities, and governance arrangements, and assess the feasibility of expanding the development offer by providing members with access to a broader range of learning resources and ongoing training.	Chief Officer	2	Aug 26	Mar 27	Drafts in circulation with senior officers and will be considered post self-assessment to ensure a holistic review of all related matters.	Partially Complete
2025/26 Corporate Governance	The IJB should liaise with the Comhairle and Health Board to access their extant skills matrix in order to develop a skills matrix to capture the competencies, experience, and development needs of its members. This could replicate the form of the NHS Western Isles existing framework, adapted to reflect the specific responsibilities of the IJB.	Chief Officer	2	Nov 26		Will be considered in line with the action above.	Incomplete

	Incorporating a skills assessment into the annual evaluation process would enable the IJB to identify strengths and gaps within its membership, support tailored training, and enhance the overall effectiveness and resilience of governance arrangements.						
2025/26 Corporate Governance	The IJB should establish an annual self-assessment of the Board and ARC ensure that performance is appropriately assessed to support continuous improvement.	Chief Officer	2	Sep 26	Nov 26	Planned for November 2026.	Incomplete

Appendix 3: Audit 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.