



**REPORT TO: PERFORMANCE & AUDIT COMMITTEE – 17 JANUARY 2017**  
**REPORT ON: INTERNAL AUDIT PLAN 2016/17**  
**REPORT BY: CHIEF FINANCE OFFICER**  
**REPORT NO: PAC2-2017**

**1.0 PURPOSE OF REPORT**

The purpose of this paper is to advise the Performance and Audit Committee of the Annual Internal Audit Plan for Dundee Integration Joint Board (IJB) for 2016/17.

**2.0 RECOMMENDATIONS**

It is recommended that the Performance & Audit Committee (PAC):

- 2.1 Notes the approved Annual Internal Audit Plan for 2016/17.
- 2.2 Notes the responsibility placed by Dundee IJB on the Performance and Audit Committee to monitor performance against this plan and to consider recommendations arising from the specific reviews within the plan.

**3.0 FINANCIAL IMPLICATIONS**

- 3.1 There are no financial implications arising from this report.

**4.0 MAIN TEXT**

- 4.1 As stated in the Integrated Resources Advisory Group guidance, it is the responsibility of the IJB to establish adequate and proportionate internal audit arrangements for review of the adequacy of the arrangements for risk management, governance and control of the delegated resources. In May 2016, Dundee IJB provided 'delegated authority to the Chief Officer and Chief Finance Officer to conclude discussions with Fife, Tayside and Forth Valley Management Services (FTF) and Dundee City Council for the provision of internal audit services for 2016/17'.
- 4.2 Resources to deliver the plan will be provided by the NHS Tayside and Dundee City Council Internal Audit services. 20 days have been included in the 2016/17 Internal Audit Plans for each party.
- 4.3 The draft operational plan for 2016/17 has been designed to target the priority issues identified by the Internal Auditors assessment of risk. The plan includes the delivery of standard products required each year, addresses work required under the Financial Assurance Guidance and is further based on professional judgement of the IJB risk environment, targeting those risks identified in the IJB's risk register where the controls established have the greatest impact. The Chief Internal Auditor has also discussed the proposed plan with the Chief Officer and Chief Finance Officer to ensure the substantive audit assignments add value.

4.4 The proposed plan is set out below:

| <b>Ref</b>    | <b>Audit</b>                             | <b>Indicative Scope</b>  |
|---------------|--|--|
| <b>D01-17</b> | Audit Planning                           | Agreeing audit universe and preparation of audit plan and mapping of Governance and Assurance arrangements within the IJB.   |
| <b>D02-17</b> | Audit Management                         | Liaison with managers and Directors and attendance at Performance and Audit Committee.   |
| <b>D03-17</b> | Annual Internal Audit Report             | Chief Internal Auditor's annual assurance statement to the IJB and review of governance self-assessment.   |
| <b>D04-17</b> | Governance & Assurance                   | Ongoing support and advice on further development of governance and assurance structures, including issues identified as part of the annual report process.  |
| <b>D05-17</b> | Due Diligence                            | Review/Validation of IJB post-implementation review.   |
| <b>D06-17</b> | Workforce                                | Review of arrangements established to control and mitigate Risk 3 from the high level risk register - Staff resource to develop sufficient integrated arrangements.<br><br>To include a review of corporate support functions. |
| <b>D07-17</b> | Clinical, Care & Professional Governance | Review of arrangements established to control and mitigate Risk 8 from the high level risk register - Clinical, Care & Professional Governance.  |

4.5 Work to deliver the internal audit plan is undertaken under the supervision of the Chief Internal Auditor. Through agreement between the Chief Executives of the Parties and the Chief Officer, a Joint Internal Audit Protocol will be developed setting out shared working arrangements, including access to information held by the parties and reporting protocols.

4.6 The audit plan is designed to provide the Chief Internal Auditor with sufficient evidence to form an opinion on the adequacy and effectiveness of internal controls. Within the first year, the Chief Internal Auditor will identify areas for inclusion within the audit universe and develop an Audit Strategy congruent with the IJB's risk register.

4.7 The audit plan was approved by Dundee IJB at its meeting held on 6 December 2016. The IJB approved the recommendation to remit to the Performance and Audit Committee to monitor performance against this plan and to consider recommendations arising from the specific reviews with the plan.

## **5.0 POLICY IMPLICATIONS**

This report has been screened for any policy implications in respect of Equality Impact Assessment and Risk Management. There are no major issues.

## **6.0 CONSULTATION**

The Chief Officer, the Chief Finance Officer and the Senior Manager - Internal Audit of Dundee City Council have been consulted on the content of this paper. The draft plan has also been issued to the IJB's external auditors for comment.

## **7.0 BACKGROUND PAPERS**

None.

Dave Berry  
Chief Finance Officer

DATE: 21 December 2016

