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Agenda Item: 6

Integration Joint Board – Audit Committee

Date of Meeting: 18 November 2020.

Subject: Internal Audit Assignment Plan – Corporate Governance

1. Summary

1.1. As part of the Internal Audit Plan for 2020/21 Corporate Governance arrangements were highlighted as the area of audit. The scope of this work will be to review the approach to oversight of the organisation, including consideration of structure and purpose of relevant committees.

2. Purpose

2.1. To present the Internal Audit Assignment Plan in regard to Corporate Governance for review and approval.

3. Recommendations

The Audit Committee is invited to:

3.1. Approve the Internal Audit Assignment Plan in relation to Corporate Governance, attached as Appendix 1.

4. Background

4.1. Following discussion with members of the IJB Audit Committee in summer 2020, it was agreed to prioritise a detailed review of the IJB's corporate governance arrangements. This assignment plan is included in addition to the annual audit plan for discussion by members of the Audit Committee.

5. Contribution to quality

Please indicate which of the Orkney Community Plan 2019 to 2022 visions are supported in this report adding Yes or No to the relevant area(s):

Resilience: To support and promote our strong communities.	No.
Enterprise: To tackle crosscutting issues such as digital connectivity, transport, housing and fuel poverty.	No.

Equality: To encourage services to provide equal opportunities for everyone.	No.
Fairness: To make sure socio-economic and social factors are balanced.	No.
Innovation: To overcome issues more effectively through partnership working.	No.
Leadership: To involve partners such as community councils, community groups, voluntary groups and individuals in the process.	No.
Sustainability: To make sure economic and environmental factors are balanced.	No.

6. Resource implications and identified source of funding

6.1. The provision of the internal audit service for 2020/21 shall be contained within the contingency allowance of the OIC Internal Audit and the NHSO internal audit plans.

6.2. Should the Integration Joint Board decide to commission any further internal audit work, this will require the identification of additional funding and agreement.

7. Risk and Equality assessment

7.1. There are no risks associated with this report. Having an internal audit service in place strengthens the governance arrangements of the Integration Joint Board.

8. Direction Required

Please indicate if this report requires a direction to be passed to:

NHS Orkney.	No.
Orkney Islands Council.	No.
Both NHS Orkney and Orkney Islands Council.	No.

9. Escalation Required

Please indicate if this report requires escalated to:

NHS Orkney.	No.
Orkney Islands Council.	No.
Both NHS Orkney and Orkney Islands Council.	No.

10. Authors

10.1. Matthew Swann (Associate Director), Azets.

10.2. Pat Robinson (Chief Finance Officer), Integration Joint Board.

11. Contact details

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12. Supporting documents

12.1. Appendix 1: Assignment Plan – Corporate Governance.

Internal Audit Assignment Plan

Client:	Orkney IJB
Assignment:	Corporate Governance
Background:	<p>Corporate Governance is concerned with the structures and processes for decision making and accountability, internal control, and standards of behaviour at the top of organisations. Corporate Governance is the process and structures implemented by the Board to inform, direct, manage and monitor the activities of the organisation towards the achievement of its objectives. Good governance should be demonstrated through a clear commitment to effective public performance reporting on the quality of the services being delivered and future service delivery.</p>
Scope:	In line with the 2020/21 internal audit plan, we will review consider corporate governance arrangements
Control objectives:	<p>Proportionate to the organisation to ensure that:</p> <ul style="list-style-type: none"> • Terms of reference are in place that are aligned with relevant guidance (e.g. SPFM/On Board) and clearly set out the remit and responsibilities of the Board and all committees • Sufficient arrangements are in place for committees to report back to the Board and for the Board to scrutinise the work of each Committee • The Board maintains a sound system of internal control to safeguard stakeholder interests, with a robust review of the effectiveness of internal controls taking place at least annually. • The roles and responsibilities of Board members (both executive and non-executives) have been clearly defined and communicated, with the organisation supporting staff and committee members to be effective in their role.
Reporting format:	Standard internal audit report to management and the Audit Committee.