

## **Item: 5**

**Monitoring and Audit Committee: 10 June 2021.**

**Orkney Integration Joint Board.**

**Internal Audit Reporting Protocol.**

**Report by Chief Internal Auditor.**

### **1. Purpose of Report**

To present the updated Orkney Integration Joint Board Internal Audit Reporting Protocol.

### **2. Recommendations**

The Committee is invited to note:

#### **2.1.**

That an Internal Audit Reporting Protocol is in place to enable the sharing of internal audit findings between Orkney Integration Joint Board, NHS Orkney and the Council where the findings have a wider relevance beyond the organisation that commissioned the audit.

#### **2.2.**

That the existing Internal Audit Reporting Protocol, approved in 2016, requires updating.

**It is recommended:**

#### **2.3.**

That the Orkney Integration Joint Board Internal Audit Reporting Protocol, attached as Appendix 1 to this report, be approved.

### **3. Background**

#### **3.1**

The Internal Audit Reporting Protocol is not intended to be an exhaustive list but is instead a set of principles within which the internal audit functions of the Orkney Integration Joint Board, NHS Orkney and the Council shall operate. The principles shall be considered as the completion of internal audits are progressed to ensure that the internal audit findings are being shared appropriately and in the most effective and efficient manner.

### **3.2.**

This Internal Audit Reporting Protocol will also be presented to the IJB and NHS Orkney Audit Committees.

## **4. Reporting Protocol Updates**

The existing Internal Audit Reporting Protocol, which was agreed in 2016, has been reviewed to ensure that it is up to date and reflects changes to NHS Orkney's Internal Auditors.

## **5. Corporate Governance**

This report relates to governance and procedural issues and therefore does not directly support and contribute to improved outcomes for communities as outlined in the Council Plan and the Local Outcomes Improvement Plan.

## **6. Financial Implications**

There are no financial implications associated directly with this report.

## **7. Legal Aspects**

There are no legal implications arising directly from the recommendations in this report.

## **8. Contact Officer**

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## **9. Appendix**

Appendix 1: Orkney Integration Joint Board Internal Audit Reporting Protocol.



## Internal Audit

# Orkney Integration Joint Board Internal Audit Reporting Protocol

Draft issue date: 12 May 2021

Final issue date: 19 May 2021

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## Introduction

The Chief Internal Auditor for Orkney Islands Council (OIC) has been appointed as the Chief Internal Auditor for the Orkney Integration Joint Board (IJB) for a period of five years starting from April 2021. It has been agreed that Azets, as the internal auditor of NHS Orkney (NHSO), will provide support to the IJB Chief Internal Auditor to deliver the Orkney IJB internal audit plan.

There may be a need to share internal audit outputs that have wider relevance beyond the organisation that commissioned the audit. It is important that this sharing of information happens in a controlled manner to facilitate joint working, protect confidentiality and avoid duplication of effort.

This paper sets out a protocol which both sets of internal auditors will operate to with regards to reporting. This is not intended to be an exhaustive list; instead it is intended to set out principles which the internal audit functions will operate to.

## Principles IJB Internal Audits

When conducting audits of the IJB, Azets and OIC Internal Audit will not operate to a single methodology. Instead, each respective audit methodology will be used for the audits assigned to either Azets or OIC Internal Audit.

The full final report for each audit assignment will be presented to the IJB Audit Committee for scrutiny purposes. The reports shall be shared with NHSO and OIC Internal Audit.

The Chief Internal Auditor shall prepare an IJB Internal Audit Annual Report and opinion. This report shall be shared with the parent bodies and reported through their own internal audit reporting procedures.

## Principles NHSO and OIC Internal Audits

At the beginning of each audit year, and on an ongoing basis, the respective internal auditors will review their audit plans, and any subsequent additions, to identify any audits of the parent bodies (OIC and NHSO) that may be of relevance to the IJB. Those audits will be earmarked and the final reports, or issues from within those reports, may be presented to the IJB Audit Committee.

Once each audit has concluded, if the auditor believes it may impact on the IJB, they will discuss this with the audit sponsor to agree the reporting route.

The final audit reports issued shall follow the normal reporting routes established for internal audit reports within the parent bodies; this shall include being presented to their respective audit committees. The parent body audit committee shall be advised if the report is to be shared with the IJB Audit Committee.

When either an NHSO or OIC final internal audit report has been identified as relevant to the IJB, the full audit report shall be presented at the next meeting of the IJB Audit Committee.

The audit report shall be presented for noting where there are no significant findings contained therein or for scrutiny where there are significant findings.

These reports shall be shared between NHSO and OIC internal audit.