

# NHS Ayrshire & Arran



<b>Meeting:</b>	<b>Ayrshire &amp; Arran NHS Board</b>
<b>Meeting date:</b>	<b>Tuesday 26 March 2024</b>
<b>Title:</b>	<b>Internal Audit Plan 2024/2025</b>
<b>Responsible Director:</b>	<b>Derek Lindsay, Director of Finance</b>
<b>Report Author:</b>	<b>Derek Lindsay, Director of Finance Rachel Weir, Senior Manager, Azets</b>

## 1. Purpose

This is presented to the Board for:

- Approval

This paper relates to:

- Government policy/directive

This aligns to the following NHSScotland quality ambition(s):

- Effective

## 2. Report summary

### 2.1 Situation

Azets as the Board's internal auditors take a risk based approach and have proposed areas for internal audit review in 2024/2025. The plan has been refined through discussion at Audit and Risk Committee, Corporate Management Team and Integrated Governance Committee. This presented for Members to approve the internal audit plan for 2024/2025.

### 2.2 Background

Internal audit are required to provide an annual assurance statement. This supports the Governance Statement within the Board annual accounts. They take a risk based approach in determining areas to carry out reviews, which should cover all areas of governance.

### 2.3 Assessment

Starting from the strategic risks to the organisation, the draft audit plan for 2024/2025 seeks to provide governance committees with assurance in some of these key areas.

<b>Audit review area 2024/2025</b>	<b>Lead Director</b>	<b>Governance Committee</b>
Strategic and operational planning	Kirstin Dickson	Performance
Property transaction monitoring	Nicola Graham	Audit and Risk
Health and Social Care Partnership	Chief Officers	Performance
Risk management	Crawford McGuffie	Audit and Risk
GP sustainability payments	Craig McArthur	Healthcare
Waiting list management	Claire Burden	Performance
Cash releasing efficiency savings	Derek Lindsay	Performance
Promoting attendance	Sarah Leslie	Staff
Business continuity	Lynne McNiven	Integrated
Environmental sustainability	Nicola Graham	Integrated

All internal audit reports are received by the Audit and Risk Committee who would then pass them to the governance committee specified to monitor implementation.

### **2.3.1 Quality/patient care**

Waiting list management and GP sustainability payments are areas for review.

### **2.3.2 Workforce**

A review is planned on promoting attendance.

### **2.3.3 Financial**

Financial controls are audited on a cyclical basis and focus this year on cash releasing efficiency savings.

### **2.3.4 Risk assessment/management**

The internal auditors reviewed the strategic risk register in designing their audit programme.

### **2.3.5 Equality and diversity, including health inequalities**

An impact assessment has not been completed because it is not relevant.

### **2.3.6 Other impacts**

- Best value
  - Vision and Leadership
  - Effective Partnerships
  - Governance and accountability
  - Use of resources
  - Performance management
- Compliance with Corporate Objectives

### **2.3.7 Communication, involvement, engagement and consultation**

The Board has carried out its duties to involve and engage external stakeholders where appropriate including a discussion at Corporate Management Team.

### **2.3.8 Route to the meeting**

This has been previously considered by the following groups as part of its development. The groups have either supported the content, or their feedback has informed the development of the content presented in this report.

- Audit and Risk Committee – 24 January 2024, and 20 March 2024
- Corporate Management Team – 30 January 2024
- Integrated Governance Committee – 12 February 2024

### **2.4 Recommendation**

For decision. Board Members are asked to approve the internal audit plan for 2024/2025.

## **3. List of appendices**

The following appendices are included with this report:

- Appendix 1, Internal audit plan areas



# NHS Ayrshire & Arran

**Internal Audit Annual Plan 2024/25  
(abridged)**

Updated as at March 2024

# Introduction

## Audit and Risk Committee action

Our initial three-year plan was approved for onward submission to the Board by the Audit and Risk Committee (ARC) in March 2023.

In December 2023, we met with the Director of Finance to consider our proposed coverage for 2024/25. We made some changes to the plan at that stage before presenting in draft to the ARC in February 2024.

Since the last ARC meeting, the plan has been considered at both Corporate Management Team and Integrated Governance Committee meetings, and has been updated to reflect input provided from each of the respective governance groups.

Following discussions with the Director of Finance in March 2024, the resulting plan for 2024/25 is presented in an abridged version within Appendix 1 of this paper. We are happy to provide the full plan to members if this would be helpful.

The ARC is therefore asked to review and approve the proposed areas of coverage for 2024/25. Following this approval, the plan will be presented to the Board at its March 2024 meeting for final approval.



## Appendix 1 – Internal Audit Plan coverage 2024/25

Audit area	2024/25 audit days	Risk Register Ref	Audit objectives
<b>A.2 Strategic and Operational Planning</b>	20	668, 669	We will consider arrangements for ensuring that clear and coherent operational plans are consistently developed across Directorate areas, aligned to the Board's strategic priorities – for example legacy Remobilisation Plans and forward-looking Annual Delivery Plans.
<b>A.3 Risk Management</b>	18	<i>All risks</i>	To ensure that: <ul style="list-style-type: none"> <li>• there is a defined and consistently applied approach for identifying, assessing, prioritising and escalating organisational risks;</li> <li>• Risk registers are embedded throughout the organisation;</li> <li>• Mitigating actions are identified to manage residual risks down to an acceptable level; and</li> <li>• Risk registers are subject to monitoring and scrutiny on an ongoing basis.</li> </ul>
<b>A.5 Environmental Sustainability</b>	18	<i>All risks</i>	We will assess the extent to which NHSA&A has prepared to implement the requirements of the NHS Scotland Climate Emergency and Sustainability Strategy. We will review the extent to which local plans have been developed and embedded within NHSA&A strategies, policies, procedures and decision-making frameworks.
<b>A.7 Business Continuity Planning</b>	20	845, 557, 811, 821	To consider effectiveness of business continuity arrangements in the case of a large-scale disruption that compromises business-as-usual. We will consider the effectiveness of testing arrangements, staff training and awareness and organisational resilience.
<b>B.3 Cash Releasing Efficiency Savings (CRES) Plan</b>	24	703	To review progress towards implementation of the CRES plan, including confirmation that progress is monitored regularly and reported to those charged with governance on a consistent basis. This review will also consider the roles of operational service managers in monitoring budgets and taking remedial action to address budget variances, including the clarity of this role, the central support provided and the consistency of application.
<b>C.2 GP Sustainability Payments</b>	20	668, 674, 741	We will review arrangements for ensuring that sustainability payments to GP Practices are accurate, properly recorded and accounted for, and support Value for Money. This will include assessing the extent to which: <ol style="list-style-type: none"> <li>1) reliable and consistent data exists to support and inform calculation of GP sustainability payments</li> <li>2) GP sustainability payments are subject to scrutiny to ensure that these are only paid where all relevant eligibility criteria have been met; and</li> <li>3) How value for money implications are considered as part of these arrangements.</li> </ol>

Audit area	2024/25 audit days	Risk Register Ref	Audit objectives
<b>C.3 Health and Social Care Partnership review</b>	25	767, 494, 668, 741	This audit will comprise a review of operational HSCP matters to be agreed in discussion in-year between management and HSCP Chief Officers. We will agree the proposed scope with the ARC prior to commencing our audit fieldwork.
<b>C.6 Waiting List Management</b>	20	767, 494, 668, 669, 741, 764	To provide assurance that waiting lists are being effectively and accurately maintained to support achievement of Treatment Time Guarantees as required by Scottish Government. Areas of focus to be agreed on an annual basis to consider prioritisation of cases and monitoring of backlog and performance. This may cover areas such as ensuring the consistent application of policies / processes, quality of data used, oversight over performance and implementation of new initiatives.
<b>D.2 Promoting Attendance</b>	20	219	<p>To ensure that Sickness and Absence Management policies are up-to-date, consistent with national guidance, and consistently applied to promote attendance across different locations.</p> <p>We will also consider whether a sickness absence tolerance level has been set and is subject to appropriate monitoring. We will use data analytics to target areas exceeding this tolerance and undertake root analysis to seek to understand drivers of high absence rates.</p>
<b>F.1 Property Transaction Monitoring</b>	7		Review of property transactions as required by the Scottish Government Property Transaction Handbook
<b>F.2 Follow-up</b>	15		To confirm that management actions have been implemented as agreed.
<b>G.1 Contract management</b>	7		
<b>G.2 ARC planning and attendance</b>	12		ARC prep and attendance, including Chair liaison/support
<b>G.3 Audit needs analysis – strategic and annual planning</b>	2		Audit needs assessment, in line with PSIAS and quality standards
<b>G.4 Liaison with External Audit</b>	1		For coordination and efficiency

INTERNAL AUDIT PLAN

Audit area	2024/25 audit days	Risk Register Ref	Audit objectives
<b>G.5 Liaison meetings and progress reporting</b>	6		For ongoing liaison, regular communication and mgt support/comms
<b>G.6 Annual internal audit report</b>	2		Per PSIAS
<b>G.7 Contingency</b>	3		To respond to issues as/when they arise over the year
<b>TOTAL</b>	<b>240</b>		



# Appendix 1 – Review timetable 2024/25

Review	Start fieldwork	Complete fieldwork	Draft Report	Management Response	Final Report	ARC meeting
<b>A.2 Strategic and Operational Planning</b>	Oct 2024	Nov 2024	Nov 2024	Dec 2024	Jan 2025	<b>Mar 2025</b>
<b>A.3 Risk Management</b>	Jun 2024	Jul 2024	Jul 2024	Aug 2024	Aug 2024	<b>Sep 2024</b>
<b>A.5 Environmental Sustainability</b>	Jun 2024	Jul 2024	Jul 2024	Aug 2024	Aug 2024	<b>Sep 2024</b>
<b>A.7 Business Continuity Planning</b>	Oct 2024	Nov 2024	Nov 2024	Dec 2024	Jan 2025	<b>Mar 2025</b>
<b>B.3 Cash Releasing Efficiency Savings (CRES) Plan</b>	Aug 2024	Aug 2024	Sep 2024	Sep 2024	Oct 2024	<b>Nov 2024</b>
<b>C.2 GP Sustainability Payments</b>	Oct 2024	Nov 2024	Nov 2024	Dec 2024	Jan 2025	<b>Mar 2025</b>
<b>C.3 Health and Social Care Partnership review</b>	Jan 2025	Feb 2025	Feb 2025	Mar 2025	Apr 2025	<b>May 2025</b>
<b>C.6 Waiting List Management</b>	Jul 2024	Aug 2024	Sep 2024	Sep 2024	Oct 2024	<b>Nov 2024</b>
<b>D.2 Promoting Attendance</b>	Feb 2025	Feb 2025	Mar 2025	Mar 2025	Apr 2025	<b>May 2025</b>
<b>F.1 Property Transaction Monitoring</b>	Jun 2024	Jul 2024	Jul 2024	Aug 2024	Aug 2024	<b>Sep 2024</b>
<b>F2. Follow up - Q1</b>	n/a					<b>May 2025</b>
<b>F2. Follow up - Q2</b>	n/a					<b>Sep 2024</b>
<b>F2. Follow up - Q3</b>	n/a					<b>Dec 2024</b>
<b>F2. Follow up - Q4</b>	n/a					<b>Mar 2025</b>
<b>G.6 Annual internal audit report</b>	n/a					<b>May 2025</b>