



Dumfries and Galloway
Integration Joint Board

30th June 2020

This Report relates to
Item 5 on the Agenda

Draft IJB Annual Report and Accounts 2019/20

Paper presented by Katy Lewis

For Approval

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List of Background Papers:	Not required
Appendices:	Appendix 1 – IJB Annual Report and Accounts 2019/20

Direction Required to Council, Health Board or Both	Direction to:	
	1. No Direction Required	X
	2. Dumfries and Galloway Council	
	3. NHS Dumfries and Galloway	
	4. Dumfries and Galloway Council and NHS Dumfries and Galloway	

1.	Introduction
1.1	This report presents the Integration Joint Board (IJB) Draft Annual Report and Accounts for the financial year 2019/2020.
2.	Recommendations 2.1 The Integration Joint Board is asked to: <ul style="list-style-type: none"> • Approve the unaudited Draft Annual Accounts for the financial year ending 31st March 2020 which will be submitted to the external auditors for review and are subject to public consultation. • Approve the reinstatement of the IJB Audit and Risk Committee.
3.	Background and Main Report 3.1 <u>Background</u> 3.2 The Draft Annual Accounts for the IJB reflect the financial position presented to the IJB at its meeting on the 22 nd May 2020 reflecting a breakeven outturn position for the 2019/20 financial year after additional resource of £4.774m from the NHS Board to reflect overspends in the delegated budget. 3.3 The Chief Finance Officer, as the section 95 officer, has a requirement to prepare accounts for the IJB. 3.4 The IJB has delegated to the Audit and Risk Committee authority to approve the draft accounts, however due to COVID-19 priorities, temporary governance arrangements were implemented in March 2020 and the IJB Audit and Risk Committee was temporarily stood down. As the IJB Audit and Risk Committee meeting scheduled for June was cancelled, the Draft Annual Report and Accounts are being presented to the full IJB to enable appropriate scrutiny and approval. 3.5 It should be noted that the Draft Annual Report and Accounts has also been shared with IJB Audit and Risk Committee members by email. However, no detailed discussion or scrutiny of the accounts has yet to take place. 3.6 It is proposed that the IJB Audit and Risk Committee is reinstated with the next meeting taking place on its scheduled date of the 7 th September 2020 to allow further scrutiny and review of the unaudited accounts and also the IJB assurance framework. 3.7 All figures presented are subject to external audit review during July/August 2020, with audited accounts planned to be presented for approval and sign off at the Integration Joint Board on the 23rd September 2020 (date to be confirmed) following the Audit and committee scrutiny. 3.8 <u>Main Report</u> 3.9 The Local Authority Accounts (Scotland) Regulations 2014, which state that the Proper Officer (under Section 95 of the Local Government (Scotland) Act 1973)

shall ensure that the draft accounts are submitted to the Integration Joint Board by no later than the 30th September following the relevant financial year end. A copy of the accounts is appended to this paper (**Appendix 1**).

- 3.10 The IJB unaudited Annual Accounts for financial year 2019/20 are being presented to this meeting to ensure compliance with the above legislative requirements. The accounts will then be submitted to Grant Thornton for external audit scrutiny and review.
- 3.11 Following the submission of the unaudited accounts, the working papers supporting the accounts will also be provided to the external auditors, who will then undertake the statutory audit of the accounts starting from early July 2020.
- 3.12 To comply with the Local Authority Accounts (Scotland) Regulations 2014, the unaudited accounts will be made available for public inspection for a 3 week period from 1st July to 21st July 2020 and will be consulted on virtually through the Council and IJB websites.
- 3.13 Further consideration of the contents of the IJB accounts will be undertaken mainly through the Audit and Risk Committee at its meeting on 7th September 2020.
- 3.14 Collaboration and consultation has taken place with the NHS and Council's finance team to prepare these accounts.
- 3.15 The accounts have been reviewed in accordance with the latest best practice guidance as issued through Local Authority Scotland Accounts Advisory Committee (LASAAC) who has issued additional guidance on accounting for the Integration of Health and Social Care. LASACC did meet recently to consider the current situation particularly the impact of the current COVID-19 pandemic and the associated implications for delivery of both the accounts and the external audit process. There is potential for additional guidance to be issued but this has not been issued at the time of writing this paper.
- 3.16 Locally we are able to deliver the accounts to the statutory timetable including the external audit review.
- 3.17 Audit Appointments and the Code Audit Practice
- 3.18 In June 2020, Audit Scotland provided an update on the current audit appointments for Scotland's public bodies and the Code of Audit Practice that sets out the requirements on appointed auditors. Due to the COVID-19 pandemic, the Auditor General for Scotland and the Accounts Commission for Scotland intend to extend the current audit appointments by one year through to 2021/2022. Confirmation and the time period will be confirmed in Autumn 2020. Therefore, Grant Thornton will remain the auditors for Dumfries and Galloway IJB through to 2021/2022.
- 3.19 It was also noted that the Code of Audit Practice was due to be renewed this year from the start of the 2021/2022 audits. However, due to current challenges, it has been agreed that the current code will apply to the extended appointments.

4. Conclusions

- 4.1 IJB is asked to approve the unaudited Draft Annual Accounts for the financial year

ending 31st March 2020 which will be submitted to the external auditors for review and are subject to public consultation. The Draft Annual Accounts will then be submitted to the reinstated IJB Audit and Risk Committee on 7th September 2020 for further scrutiny prior to presentation at the IJB meeting on 23rd September 2020 for final approval.

5. Resource Implications

5.1 The accounts set out the financial position for the IJB for 2019/20.

6. Impact on Integration Joint Board Outcomes, Priorities and Policy

6.1 The Financial Plan has a key role in supporting the delivery of the Strategic Plan.

7. Legal and Risk Implications

7.1 Compliance with legislation relevant to the accounts is set out in the paper.

8. Consultation

8.1 Consultation with Senior Finance Team across NHS and Council. The draft accounts have been shared with the IJB Audit and Risk Committee in advance of submission to IJB.

9. Equality and Human Rights Impact Assessment

9.1. As this report does not propose a change in policy/strategy/plan/project, it is not necessary to complete an impact assessment.

10. Glossary

10.1 All acronyms must be set out in full the first time they appear in a paper with the acronym following in brackets.

EQIA	Equalities Impact Assessment
IJB	Integration Joint Board
LASAAC	Local Authority Scotland Accounts Advisory Committee

Dumfries and Galloway Integration Joint Board

DIRECTION



(ISSUED UNDER SECTIONS 26-28 OF THE PUBLIC BODIES (JOINT WORKING) (SCOTLAND) ACT 2014)

1.	Title of Direction and Reference Number	
2.	Date Direction Issued by Integration Joint Board	
3.	Date from which Direction takes effect	
4.	Direction to	
5.	Does this direction supersede, amend or cancel a previous Direction? If yes, include the reference number(s)	
6.	Functions covered by Direction	
7.	Full text of Direction	
8.	Budget allocated by Integration Joint Board to carry out Direction	
9.	Desired Outcomes	
10.	Performance Monitoring Arrangements	
11.	Date Direction will be Reviewed	