



Dumfries and Galloway
Integration Joint Board

23rd June 2022

This Report relates to
Item 8 on the Agenda

Draft IJB Annual Report and Accounts 2021/22

Paper presented by Katy Kerr

For Approval

Author:	Katy Kerr, Chief Finance Officer, IJB Katy.kerr@nhs.scot
Approved for submission by:	Not required
List of Background Papers:	Not required
Appendices:	Appendix 1 – Draft IJB Annual Report and Accounts 2021/22

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 2021/2022.

2. Recommendations

2.1 The IJB is asked to:

- **Approve the unaudited Draft Annual Accounts for the financial year ending 31st March 2022 which will be submitted to the external auditors for review and are subject to public consultation.**

3. Background and Main Report

3.1 Background

- 3.2 The Draft Annual Accounts for the IJB reflect the financial position update presented to the IJB at its meeting on the 23rd June 2022 reflecting a break-even outturn position for the 2021/22 financial year after additional resource of £12.876m 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 All figures presented are subject to external audit review during July/August 2022, with audited accounts planned to be presented for approval and sign off at the IJB on the 22nd September 2022 following Audit and Risk Committee scrutiny.

3.5 Main Report

- 3.6 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**).

- 3.7 The Draft IJB unaudited Annual Accounts for financial year 2021/22 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.

- 3.8 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 2022.

- 3.9 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 2022 and will be consulted on virtually through the IJB website.

- 3.10 Further consideration of the contents of the IJB accounts will be undertaken mainly through Audit and Risk Committee at its meeting on 8th September 2022.

3.11	Collaboration and consultation has taken place with the NHS and Council's finance team to prepare these accounts.
3.12	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. Additional guidance has recently been issued.
3.13	Locally we are able to deliver the accounts to the statutory timetable including the external audit review.
3.14	<u>Audit Appointments and the Code Audit Practice</u>
3.15	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 extended the current audit appointments by one year through to 2021/2022. Therefore, Grant Thornton have remained the auditors for Dumfries and Galloway IJB during 2021/2022.
3.16	On 24 th May 2022 we were advised formally that Audit Scotland has been appointed as auditors for Dumfries and Galloway IJB for the audits of 2022/23 to 2026/27. This followed the tender exercise to appoint six firms to conduct audits alongside Audit Scotland. All appointments have been made to ensure compliance with the Ethical Standard and Code of Practice.
3.17	It was also noted that the Code of Audit Practice was due to be renewed this year from the start of the 2021/22 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 Audit & Risk Committee are asked to approve the unaudited Draft Annual Accounts for the financial year ending 31 st March 2022 which will be submitted to the external auditors for review and are subject to public consultation.
5.	Resource Implications
5.1.	The accounts set out the financial position for the IJB for 2021/22.
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.

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. Individual savings schemes and difficult decisions will be impact assessed.

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.

IJB	Integration Joint Board
LASAAC	Local Authority (Scotland) Accounts Advisory Committee