



Dumfries and Galloway
Integration Joint Board
Audit and Risk Committee

9th March 2020

This Report relates to
Item 7 on the Agenda

Quarterly Update Report from Chief Finance Officer

Paper presented by Katy Lewis

For Discussion

Author:	Katy Lewis, Chief Finance Officer (CFO) IJB katylewis@nhs.net
List of Background Papers:	Not required
Appendices:	Appendix 1 - Action Plan for 2018/19 External Audit Recommendations Appendix 2 - CFO Audit Recommendations

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 An update is provided to Audit and Risk Committee on a quarterly basis to reflect activity in the previous quarter and to update on a range of technical matters.

2. Recommendations

2.1 The Integration Joint Board is asked to:

- **Note the Quarterly Update Report from the Chief Finance Officer and the updates provided.**

3. Background and Main Report

3.1 Background

- 3.2 As part of the reporting to Audit and Risk Committee, the Chief Finance Officer provides a quarterly written update to Audit and Risk Committee. The activity report provides an update on a range of technical matters.

3.3 Main Report

3.4 *External Auditors Fees*

- 3.5 Grant Thornton were appointed as the external auditor for Dumfries and Galloway's Health and Social Care Partnership Board. This appointment is for the financial years 2016/17 to 2020/21. The lead auditor is Joanne Brown who attends the Audit and Risk Committee meetings as requested by the Committee. The fee for 2019/20 has been confirmed as £26,560 by Audit Scotland.

3.6 *Technical Bulletin Summary*

- 3.7 On a quarterly basis, Audit Scotland publish guidance to both External Auditors and Public Sector bodies which is intended to provide a composite of technical developments that are relevant to Auditors' responsibilities and provide guidance on any emerging issues. These Technical Bulletins offer coverage across Local Authority, Central Government, Health, Further Education and Cross-sectoral. All publications are made available on the Audit Scotland website which can be found using the following link:

<https://www.audit-scotland.gov.uk/our-work/technical-guidance>

- 3.8 There have been two technical bulletins (2020/1 and 2020/2) published since previously reported, the content principally relates to Audit Scotland's guidance for auditing Health Boards in 2019/20 (see links below):

https://www.audit-scotland.gov.uk/uploads/docs/um/tgn_2020-1_mod13.pdf

https://www.audit-scotland.gov.uk/uploads/docs/um/tgn_2020-2_health_boards.pdf

Annual Accounts preparation

- 3.9 The Integration Joint Board annual report and accounts for 2019/20 are required to be prepared in accordance with the Local Government (Scotland) Act 1973, the Local Authority Accounts (Scotland) Regulations 2014 and the Local Government in Scotland Act 2003. The financial statements are prepared in the format provided by The Local Authority (Scotland) Accounts Advisory Committee (LASAAC).
- 3.10 A best practice guide was issued by Audit Scotland in April 2018 and this was used to refresh the annual report and accounts for the prior two years, this will be reviewed again for the production of the 2019/20 report and accounts to ensure all areas of improvement have been considered.
- 3.11 In terms of planning ahead a meeting was held with the auditors (Grant Thornton) in December 2019.
- 3.12 A draft high level timetable for the annual accounts process is included below (note this has yet to be finalised with Council and NHS Board):

Action	Date
Agreement of NHS and Council expenditure and balances with IJB	30 April/8 May 2020
Accounts preparation	May 2020
Management review of accounts	May/June 2020
Assurance letters from Head of Finance Dumfries and Galloway Council and Deputy Director of Finance NHS Dumfries and Galloway	Early June 2020
Public notice to be given of public consultation/inspection period	W/c 10 June 2020
Unaudited annual report and accounts to Audit and Risk Committee for consideration and signing of statement of responsibilities and balance sheet	8 June 2020
Unaudited annual report and accounts to be submitted to the independent auditors	8 June 2020
Publication of unaudited annual report and accounts for public consultation (22 days)	July 2020
Latest date that objections may be sent to the Independent auditors	End July 2020
Presentation of annual report and accounts and Independent auditors report to Audit and Risk Committee for approval and signature	7 September 2020
Sign off by IJB of Accounts	23 September 2020
Annual report and accounts to be published on Website	No later than 31 October 2020

External Audit Action Points

- 3.13 As agreed at Audit and Risk Committee in September 2019, the external audit comments reflected in the auditors annual report will be monitored for progress of implementation by the Chief Finance Officer and reported to Committee on a quarterly basis. The latest update is included in **Appendix 1** to this report. An analysis of all audit actions across Partnerships in Scotland has been prepared by the CFO network and this is attached at **Appendix 2** for information.

Accounting policies

3.14 No accounting policy changes are requested this quarter.

4. Conclusions

4.1 There are no significant matters to update to committee this latest quarter.

5. Resource Implications

5.1. Funding implications are considered as part of the overall Financial Plan and budget setting for the IJB.

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

6.1. The content of this Report links to National Health and Wellbeing Outcome 9 – Resources are used effectively and efficiently in the provision of health and social care services.

7. Legal and Risk Implications

7.1. There are no legal or risk implications identified.

8. Consultation

8.1. The Chair of the IJB Audit and Risk Committee and the Chief Officer are provided with updates on a regular basis.

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.

CFO	Chief Finance Officer
IJB	Integration Joint Board
LASAAC	Local Authority (Scotland) Accounts Advisory Committee

