



Dumfries and Galloway
Integration Joint Board

27th September 2023

This Report relates to
Item 5a1 on the Agenda

IJB Audit, Risk and Governance Committee Update

*Paper presented by Kim Dams – Chair of Audit, Risk and
Governance Committee*

For Approval

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Approved for Submission by:	Katy Kerr, Chief Finance Officer/Director of Finance IJB Audit, Risk and Governance Committee
Appendices:	Appendix 1 – Minutes of IJB ARG Committee 8 June 2023 Appendix 2 – IJB Annual Accounts 2022/23 Appendix 3 – Covering letter from External Auditors Appendix 4 – Report from External Auditors Appendix 5 – Letter of representation Appendix 6 – Directions Policy (with revised governance procedure)

	Appendix 7 –Best Value Statement Appendix 8 - Financial Regulation Guidance
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Direction Required to Council, Health Board or Both		
	Title	Reference Number
	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 provides an update on the activity of the IJB's Audit, Risk and Governance Committee which met on 14 September 2023 and includes approved minutes from its meeting on 8 June 2023. It also recommends for approval of the IJB Accounts for 2022/23 as set out below.

1.2 A number of policies and procedures are also presented for approval.

2. Recommendations

2.1 The Integrated Joint Board is asked to:

- **Note the update on the activity of the Audit, Risk and Governance Committee and the approved minutes from its meeting on 8 June 2023 (Appendix 1).**
- **Adopt and approve for publication and submission to the Scottish Government Health and Social Care Directorate, the IJB's audited Annual Accounts for the financial year ended 31 March 2023 which have been reviewed and scrutinised by the IJB Audit and Risk Committee and recommended to the IJB for approval (Appendix 2).**
- **Note the covering letter and report provided by the External Auditors of the IJB providing an unmodified audit opinion for 2022/23 (Appendix 3 and 4).**
- **Authorise the Chief Finance Officer of the IJB to sign the letter of representation to the External Auditors (Appendix 5).**
- **Approve the updated Directions Policy (including new governance procedure)(Appendix 6).**
- **Approve the updated Best Value Statement 2022/2023 (Appendix 7).**
- **Approve the updated Financial Regulations Guidance (Appendix 8).**

3. Background and Main Report

3.1 General Committee Update

3.2 The IJB Audit, Risk and Governance Committee met on the 14 September 2023. The key areas of business were as follows:

- Approval and sign off minutes of meeting of 8 June 2023 (**Appendix 1**)
- Review of assurance arrangements including update from the NHS Audit and Risk Committee to provide assurance on NHS Audit and Risk Committee activities.
- Update from the Chief Internal Auditor through the Internal Audit Annual Report.
- Update from Governance Officer on a range of activities including:

- Directions Policy update

- Best Value Statement
- Financial Regulations Guidance
- Approved closure of IJB directions from NHS Board
- Review of IJB Governance statement for 2022/24 (forms part of the Annual Accounts).
- Update from the IJB's External Auditors on progress with audit of Annual Accounts.
- Review of IJB's Annual Accounts for 2023/24.

3.3 Annual Accounts 2022/23 (Appendix 2)

3.4 The Chief Finance Officer has a requirement to prepare accounts for the IJB. The Annual Accounts for the IJB reflect a breakeven outturn position for the 2022/23 financial position, as previously reported to the Board at its meeting on 22 June 2023.

3.5 Collaboration and consultation has taken place with the NHS and Council's finance teams to prepare these accounts. Following review of the accounts by Audit Scotland, a clean audit/unmodified opinion has been given.

3.6 A copy of the Auditor's covering letter (**Appendix 3**) and their final Annual Audit Report (**Appendix 4**) is included in this report. There are two management actions in the report which were identified by Audit Scotland and these are detailed in their report.

3.7 There are no specific issues to flag to the IJB following review of assurances and scrutiny of the accounts at Audit, Risk and Governance Committee, with the signing of the Annual Accounts and Letter of Representation (**Appendix 5**) to take place following approval at the IJB on 27 September 2023.

3.8 IJB Policies, Guidance and Procedures

3.9 *Directions Policy (Appendix 6)*

3.10 The IJB Audit, Risk and Governance Committee approved the revised procedure for the Recording, Monitoring and Management of Directions where this will form part of the Directions Policy – a revised policy is attached for approval by the IJB. The main body of the policy has not changed, however, a refreshed governance procedure has been updated and approved at the IJB. This is to formally sign off the policy including the new governance procedure.

3.11 Furthermore, a plan was presented to the Committee highlighting the IJB policies, guidance and procedures that were due to be updated where a phased plan was agreed, the following updates are part of this paper.

3.12 *Best Value Statement (Appendix 7)*

3.13 IJBs have a statutory duty to make arrangements to secure Best Value. To achieve this, IJBs are required to have effective arrangements in place for scrutinising performance, monitoring progress towards achieving strategic objectives and holding partners to account.

3.14	Part of evidencing the work that the IJB does in relation to this is through officers reviewing and updating the Best Value Statement, through the Annual Accounts process. This approach has been developed through assessment of best practice in other HSCP's and uses Audit Scotland Best Value prompts.						
3.15	<i>Financial Regulations Guidance (Appendix 8)</i>						
3.16	The main body of the financial regulations has not changed, therefore, this has been a review to ensure due diligence in terms of governance.						
4.	Conclusions						
4.1	The Audit, Risk and Governance Committee continues to operate in accordance with the IJB's scheme of delegation and is presenting the Annual Accounts for 2022/23 to the IJB for approval.						
4.2	The report also provides an update on three IJB policies/procedures which the IJB are asked to formally approve.						
5.	Resource Implications						
5.1	The accounts set out the financial position for the IJB for 2022/23.						
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	None identified.						
8.	Consultation						
8.1	Consultation with Finance and Information Manager for Council, Deputy Director of Finance NHS and other senior finance team members across NHS and Council.						
9.	Equality Impact Assessment						
9.1	The content of this Report has taken into consideration the Equality Act 2010 and complies with the duties set out in Section 149 and does not require an EQIA to be undertaken.						
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. The table below is an example only:						
	<table border="1"> <tr> <td>EQIA</td> <td>Equalities Impact Assessment</td> </tr> <tr> <td>IJB</td> <td>Integration Joint Board</td> </tr> <tr> <td>HSCPs</td> <td>Health and Social Care Partnerships</td> </tr> </table>	EQIA	Equalities Impact Assessment	IJB	Integration Joint Board	HSCPs	Health and Social Care Partnerships
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