Dumfries and Galloway
Integration Joint Board

22nd September 2026

This Report relates to
Item 7a on the Agenda

Update from the IJB Audit Risk and Governance Committee

Paper presented by Gwilym Gibbons

For Noting

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Approved for Submission by:	Gwiliym Gibbons – NHS Voting Member
List of Background Papers:	None
Appendices:	None

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	The Integration Joint Board (IJB) Audit Risk and Governance Committee met on 8th September 2026.	

2.	**Recommendations**
2.1	**The Integration Joint Board is asked to:** • **Note this update from the IJB Audit Risk and Governance Committee**

3. Background and Main Report

3.1 The IJB Audit Risk and Governance Committee considered and discussed the substantive elements of business, as summarised below.

3.2 **Impact Voting Rights / Membership Update** – This has been today already on the IJB Agenda.

The Committee approved recommendations reflecting legislative changes which give Service User, Unpaid Carer and Third Sector representatives voting rights from 1st September 2026. It also approved adding the Chief Social Work Officer as an advisory member, reducing NHS and Council voting places following the Integration Scheme review, and updating the Standing Orders, membership schedules and associated governance documents. Member induction will follow the IJB meeting on 22nd September 2026, with supplementary training also being provided for Third Sector representatives.

3.3 **Governance Update**

- **Best Value Statement**
  The Committee approved the Annual Best Value Statement and revised Directions Procedure for recommendation to the IJB.

- **Directions Procedure** – This has been today already on the IJB Agenda.

  The revised procedure streamlines and reorganises reporting across NHS Dumfries and Galloway, Dumfries and Galloway Council, the IJB and its committees. Reporting frequency will remain under review to maintain partner involvement without delaying decisions or transformation activity. Community Wealth Building will be incorporated into next year's Best Value Statement and future Directions work.

3.4 **IJB Risk Register Update**

The Committee approved the direction of travel for a dedicated IJB area within InPhase, allowing corporate, social care and operational risks to be managed at IJB level, with high-level risks reported quarterly. Social work colleagues will be given access to record clinical events, supporting identification of trends across health and social care. The Committee also sought assurance that interconnected and whole-system risks will be visible across NHS, Council and IJB governance arrangements.

3.5 **Annual Governance Statement 2025/26**

The Committee approved the Final IJB Governance Statement and assurance processes for 2025/26. It noted transparently that the statement did not fully reflect the amended CIPFA good-governance framework, including an executive summary and additional internal-control content. External audit advised that the omission was not material and that the IJB had substantially complied. The template and process will be corrected for 2026/27, and a horizon-scanning paper will be presented to the next Committee meeting.

3.6 **Internal Audit Annual Report 2025 – 2026**

Internal Audit provided an overall moderate assurance opinion, meaning governance, risk management and control arrangements offered reasonable assurance but required management attention and improvement. Six of seven NHS audits received moderate assurance, while the locum-engagement review received limited assurance. Council-related assurance for IJB areas was limited. Recurring concerns included monitoring and reporting, consistent application of policies and procedures, clarity of roles and responsibilities, implementation of audit actions, care commissioning and contract management, and the lower-level risk framework.

The Committee highlighted the need to coordinate the Annual Governance Statement, Best Value Statement, risk register and audit actions earlier, and to protect sufficient capacity for scrutiny, governance and control when considering vacancies.

3.7 **External Audit Annual Report**

External Audit reported that the annual accounts were free from material misstatement and presented a true and fair view. The audit opinions were unmodified, all requested amendments had been made, no uncorrected misstatements remained and no significant or key audit matters were identified. Performance management and wider governance arrangements were considered appropriate.

External Audit nevertheless highlighted continuing financial challenges, reliance on additional non-recurring funding to achieve balance in 2025/26, the absence of uncommitted reserves because reserves are ring-fenced, and the need for a medium-term financial plan. The audit action plan contained one recommendation: ensure that the 2026/27 Annual Governance Statement fully complies with the relevant CIPFA addendum.

3.8 **IJB Annual Report and Accounts 2025/26**

The Committee approved submission of the Annual Report and Accounts for the year ended 31 March 2026 to the IJB for approval on 22 September 2026. A typographical error on page 47, where income was shown as £41 million instead of £51 million, will be corrected. Specific Council income and expenditure testing remained outstanding and was expected to be completed before the accounts were signed; any significant matter will be reported to the IJB auditors.

The Committee discussed continuing financial pressures. The projected overspend had reduced from £12.6 million at the start of the previous year to approximately £4.6 million. Additional Council funding of £2.8 million and NHS financial-recovery funding were being used. Members recognised the statutory requirement for a balanced budget and credible recovery plan, while noting the tension between immediate savings requirements and deliverability.

The Committee emphasised the potential effect of reductions on care received by individuals, provider and market sustainability, and the risk that insufficient social care capacity creates more expensive demand in emergency and acute services. A medium-term plan for alternative models of care and impact assessments on reducing care hours are being developed.

4. Conclusions

4.1 This paper provides an overview of the Integration Joint Board (IJB) Audit Risk and Governance Committee which met on 8th September 2026.

5. Resource Implications

5.1 Not applicable

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

6.1 Not applicable

7. Legal and Risk Implications

7.1 Not applicable

8. Consultation

8.1 Not applicable

9. Equality Impact Assessment

9.1 Not applicable

10. Glossary

EQIA	**Equalities Impact Assessment**
IJB	**Integration Joint Board**