



**MINUTES OF THE MEETING OF THE  
EAST LOTHIAN INTEGRATION JOINT BOARD  
AUDIT & RISK COMMITTEE**

**TUESDAY 6 DECEMBER 2022  
VIA DIGITAL MEETINGS SYSTEM**

**1**

---

**Committee Members Present:**

Councillor L Bruce (Item 3 – 4)  
Ms E Gordon  
Ms F Ireland (Chair)  
Mr D Binnie (NV)

**Officers Present:**

Ms C Flanagan  
Mr I Gorman  
Mr D Stainbank

**Clerk:**

Ms F Currie

**Apologies:**

Councillor L Jardine

**Declarations of Interest:**

None

## **1. MINUTES OF THE EAST Lothian IJB Audit and Risk Committee Meeting of 13 September 2022 and Matters Arising**

The minutes of the East Lothian IJB Audit and Risk Committee meeting held on 13<sup>th</sup> September 2022 were approved.

The following matters arising from the minutes were discussed:

**Item 5: CIPFA Position Statement** - Claire Flanagan reported on a meeting which had taken place recently, involving herself, the Chief Internal Auditor, Chief Officer and Chair of the Committee, to discuss the issue of appointing independent members to the Committee. It had been agreed that Duncan Stainbank would begin this work with a questionnaire to current Committee members to assess their skills and experience and identify any potential gaps. This would help inform decisions on whether any gaps could best be addressed by training or by expanding the membership of the Committee to include external appointees.

The Chair noted that the Committee's terms of reference already included the power to co-opt members onto the Committee to address a specific issue or need. She invited members to indicate if they were content with the proposed approach outlined by Ms Flanagan; the members agreed.

## **2. INTERNAL AUDIT REPORT – CIPFA FINANCIAL MANAGEMENT CODE**

A report was submitted by the Chief Internal Auditor informing the Committee of the recently issued audit report on the CIPFA Financial Management Code.

Mr Stainbank presented the report. He outlined the background and key findings of the audit work which had resulted in an assessment of 'reasonable assurance'. He said the audit had looked at how well embedded the CIPFA Code was within the IJB's financial management processes and that the report outlined three recommendations. Two of these – relating to formal approval of the Code and preparation of a multi-year financial plan – would be addressed by reports to the IJB on 8<sup>th</sup> December. The third recommendation relating to a review of financial sustainability and resilience following approval of the multi-year financial plan, was due to be completed by April 2023.

In response to a question from the Chair, Mr Stainbank confirmed that the completion date of April 2023 was realistic but that there would be significant challenges to the IJB's longer term financial sustainability. Ms Flanagan informed members that a development session on financial matters would take place in January 2023 and this would include discussions on longer term financial planning.

### **Decision**

The Committee agreed to note the contents of the audit report.

## **3. IJB RISK STRATEGY AND RISK POLICY, DECEMBER 2022**

A report was submitted by the Chief Finance Officer laying out the recently reviewed and updated IJB Risk Strategy and Risk Policy documents for approval by the Committee.

Ms Flanagan presented the report. She reminded members that both policy documents had been reviewed by the Committee in September, during an informal session, and

the updated versions were now being presented for approval. She advised that no significant changes had been made to the documents and that the updates related mainly to clarification of the roles and responsibilities of IJB members and officers. Referring to the final page of the risk management policy document, she informed members that the annual review of the full IJB risk register would be dealt with at agenda Item 4 and the presentation of the HSCP risk register would take place during an informal session following this meeting.

Responding to questions from the Chair both Ms Flanagan and Mr Stainbank confirmed their intention that the Committee's annual report to the IJB should be prepared and presented to the IJB in September 2023. The Clerk agreed to clarify whether the risk strategy and policy documents should be presented to the IJB, following their approval by the Committee.

David Binnie noted that the strategy and policy documents were to be reviewed every 3 years and asked if an earlier review would be possible, should circumstances merit this. Ms Flanagan confirmed that, in such circumstances, an earlier review would be possible. Mr Binnie proposed an amendment to the recommendations contained in the report to reflect this. His proposal was seconded by Elizabeth Gordon.

A vote was taken by roll call and the recommendations, as amended, were unanimously approved.

### **Decision**

The Committee agreed:

- i. To approve the IJB's Risk Strategy; and
- ii. To approve the IJB's Risk Policy; and
- iii. To note that it could review either of these documents at any time, if required, but that both documents must be reviewed no later than 3 years after the date of their approval.

## **4. RISK REGISTER UPDATE**

A report was submitted by the Chief Finance Officer laying out the IJB's risk register.

Ms Flanagan presented the report. She reminded members that following agreement at the Committee's meeting in June, only those risks within the register rated 12 or above would be reported to Committee. She outlined a new risk which had been added to the register regarding the finance function within East Lothian Council being in business continuity measures. This new risk has been given a rating of 12 on the register.

At the request of the Chair, Ms Flanagan provided further detail on this new risk; explaining that it related to staffing issues and the level of service being provided by the IJB's partner, rather than a risk to funding. While it was not expected that this would compromise financial reporting to the IJB, it should be acknowledged that additional staff resource may be required to assist in providing the necessary updates from the Council. Ms Flanagan outlined some of the actions being taken by the Council to address these staffing issues and confirmed that, while her role as Chief Finance Officer was unaffected, she did rely on the partners undertaking appropriate scrutiny and analysis of their financial ledgers. She also confirmed that this risk would be notified to the IJB later this week as part of her regular finance report.

Iain Gorman proposed that risk 3926 (the potential for instability resulting from elections) should be removed. The next local government election was some way off and there was unlikely to be such a significant change to the voting membership in the meantime. The members agreed that risk 3926 could be removed from the register.

Ms Gordon raised questions regarding risks 3924 (financial resources) and 3925 (operational resources). Ms Flanagan explained why risk 3924 remained at 'medium' but added that this could potentially increase following the budget offers from the partners for 2023/24, as there were likely to be significant financial challenges ahead. For risk 3925, she confirmed that this related to both the workforce and financial resources needed to support the delivery of the IJB's Strategic Plan and the work of the Change Boards.

Mr Gorman updated members on risk 4054 (COVID) and advised that subject to developments over the winter and further advice from the Scottish Government, this risk could be downgraded or subsumed into other risks as services moved on from responding to the pandemic.

Mr Binnie queried the rating of risk 5279 (impact of National Care Service proposals) as 'high'. Mr Gorman explained that this was a high risk due to its potential impact on existing care services and structures delivered by the Council, which were a function of the IJB. Both Mr Gorman and Ms Flanagan referred to the lack of clarity within the proposals and their wider impact and Ms Flanagan added that there could be significant financial challenges and risk from any future funding requirements.

Mr Stainbank referred to a recent Audit Scotland report to the Scottish Parliament and agreed that the current lack of clarity over funding for the National Care Service proposals did merit this risk being rated as 'high'.

Councillor Lachlan Bruce concurred; particularly in relation to the potential impact on the Council and longer term investment in care services. Also of concern was the potential impact on the relationship between the IJB and its partners and this should be looked at in more detail in future.

The Chair agreed that the situation was worrying and that this risk should be closely monitored and updated as and when information became available.

## **Decision**

The Committee agreed to:

- i. Note the risks on the current risk register;
- ii. Note that this was the annual reporting of the full IJB risk register;
- iii. Note the new risk added regarding East Lothian Council Finance Department being in business continuity; and
- iv. Consider if any further risks should be added to the register.

Signed .....

Fiona Ireland  
Chair of the East Lothian IJB Audit and Risk Committee



**REPORT TO:** East Lothian Audit & Risk Committee

**MEETING DATE:** 8 March 2023

**BY:** Chief Finance Officer

**SUBJECT:** Risk Register - update

**2**

---

## **1 PURPOSE**

1.1 This paper lays out the IJB's risk register.

## **2 RECOMMENDATIONS**

2.1 The Committee is asked to:

- i. Note the risks on the current risk register; and
- ii. Consider if any further risks should be added to the register

## **3 BACKGROUND**

3.1 As a key part of its governance process the IJB maintains a risk register. This risk register examines the risks that impact on the business of the IJB itself and not the operational risks that the IJB's partners manage unless those risks are considered so significant that they could impact on the business of the IJB – that is impact on the ability of the IJB to deliver its strategic plan.

3.2 The current version of the risk register is attached. As agreed at the Audit & Risk Committee June 2022 meeting risks with a score of 12 and above are routinely reported with the full risk register presented on an annual basis. Since the last meeting the following should be considered

- Risk 5045 – COVID 19 – given the controls in place recommending a reduced risk rating to 8 and recommending this risk be removed from the IJB strategic risk register.
- Risk 5486 – Council Finance Department staffing issues – this risk has been reworded in line with Council feedback and the ongoing staffing issues within the Finance department and

arrangements in place to support. Risk rating has been reduced because of this to 8.

- Risk 3924 - Financial resources may be insufficient to sustain the Strategic Plan – this risk has been increased to 16 given the uncertainty surrounding Partners budget offers to the IJB for next year. The controls have also been updated.
- Within East Lothian Councils corporate risk register there is a significant risk regrading homelessness and should the IJB Audit & Risk Committee consider this for inclusion on the IJBs risk register given the impact this has on supporting delayed discharge and the delivering the transformation work of the IJB.

3.3 Members are asked to consider if there are additional risks that require to be added to the register and consider if the management actions identified against these current risks provide assurance that these risks are being appropriately managed.

#### **4 ENGAGEMENT**

4.1 The IJB makes its papers and reports available on the internet

#### **5 POLICY IMPLICATIONS**

5.1 This paper is covered within the policies already agreed by the IJB.

#### **6 INTEGRATED IMPACT ASSESSMENT**

6.1 The subject of this report does not affect the wellbeing of the community or have a significant impact on equality, the environment or economy

#### **7 DIRECTIONS**

7.1 The subject of this report does not affect the IJBs directions or require a new direction to be issued.

#### **8 RESOURCE IMPLICATIONS**

8.1 Financial – None

8.2 Personnel – None

8.3 Other – None

## 9 BACKGROUND PAPERS

9.1 None

<b>AUTHOR'S NAME</b>	Claire Flanagan
<b>DESIGNATION</b>	Chief Finance Officer
<b>CONTACT INFO</b>	Claire.flanagan@nhslothian.scot.nhs.uk
<b>DATE</b>	March 2023

### Appendices

1. Risk Rating Matrix
2. Risk Register





## Appendix 1- Risk Rating Matrix (DATIX)

Likelihood	Consequences / Impact				
	Negligible	Minor	Moderate	Major	Extreme
<b>Almost Certain</b>	Medium 5	High 10	High 15	V High 20	V High 25
<b>Likely</b>	Medium 4	Medium 8	High 12	High 16	V High 20
<b>Possible</b>	Low 3	Medium 6	Medium 9	High 12	High 15
<b>Unlikely</b>	Low 2	Medium 4	Medium 6	Medium 8	High 10
<b>Rare</b>	Low 1	Low 2	Low 3	Medium 4	Medium 5



ID	Title	Description	Controls in place	Risk level (current)	Rating (current)	Risk level (Target)	Rating (Target)	Risk Owner	Handler	Date Opened	Date Risk Reviewed	Description	Progress	Start date	Due date	Done date
5045	COVID-19	There is a risk that the IJB will not be able to deliver against its objectives, its strategic plan and deliver financial balance against its budget due to COVID-19 and the response to this.	1. IJB Board/Committee meetings now operating in a virtual manner. 2. Controls in place within HSCP to evidence the response. 3. IJB Members are briefed on challenged as they present.	High	15	Medium	8	Wilson, Fiona M	Gorman, Iain	11/05/2020	18/11/2022	COVID-19 Response	IJB Chief Officer and Head of Operations actively part of East Lothian Council COVID-19 CMT Meeting and NHS Lothian Gold Command Meetings. 01/06/21: These meetings vary depending on the COVID response required. NHS Lothian Gold Command is currently stood down. 15/8/22 - Services continue to consider impact of the COVID 19 in the development of the strategic goals for service. COVID 19 will remain as a risk for the IJB until 2023 while we wait to see if there will be a change with regard to the pandemic which will have a wider affect on our services.  1/9/22 - COVID risk is reducing but will be kept on the register until March 23 giving risk of re-occurrence  18/11/22 - Risk likelihood reduced	11/05/2020	31/03/2023	
5220	Demographic Pressures	There is a risk that because the population of East Lothian has increased over the past few years, the projections predict a further increase. Because of this the pressure is further compounded by the percentage of that population over the age of 65 will also increase from the current position. This will lead to increased demand for the health and social care services in East Lothian that have been delegated to the IJB.	This will be managed through the IJB's Strategic Planning processes.  Change boards should be operating with recognition of demographic changes within the area.	High	16	Medium	9	Wilson, Fiona M	Wilson, Fiona M	20/08/2021	18/11/2022	Community Transformation provisioning work	Gillian Neil leading with an April 2024 timescale	01/09/2022	31/03/2023	
												Strategic delivery	Laura Kerr leading with a timescale of April 2023	01/09/2022	31/03/2023	
												Primary Care Overview	Primary Care GM working with NHS Lothian on practice capital requirements. IJB officers working with ELC officers on large population change plans (e.g. Blindwells)	18/11/2022		
3924	Financial resources may be insufficient to sustain the Strategic Plan	There is a risk that the financial challenges faced by the NHS and East Lothian Council will result in allocations to the IJB that do not allow the Strategic Plan to be delivered leading to the failure to achieve outcomes and targets.	1. Financial assurance process carried out by IJB 2. Engagement of IJB Officers and members in NHS and Council budget setting processes 3. Regular financial monitoring reports to IJB 4. Scheme of Integration risk sharing and dispute resolution processes 5. IJB Chief Finance Officer in place 6. Strategic Planning Group in place 7. Efficiency and recovery plans are developed in year by operational teams to "break even". 8. There is a programme of meetings and discussion between IJB, Council and Health Board leading to an IJB financial planning process being approved by the IJB and supported by Council and Health Board 9. The IJB take a lead role in policy decisions to support the Financial Plan. 10. Developed a longer term rolling financial plan for the IJB. 11. IJB now holds a general reserve.	High	16	Medium	9	Wilson, Fiona M	Flanagan, Claire	26/02/2016	18/11/2022	Development of a longer term rolling financial plan for the IJB	This went to IJB in June 2019 and was accepted. 23/11/20: A further update of the IJB rolling financial plan was presented to the IJB in October 2020. This iteration of the plan will require to be refined once clarity on the impact COVID-19 has on the IJB delegated functions moving forward. 13/06/2022 Through the routine financial monitoring reported to the IJB the future year financial projections and challenges have been shared 18/11/2022 - An IJB financial plan has been developed and due to be presented to the IJB at its meeting on 8/12/2022  IJB financial plan presented to IJB meeting on the 8th December 2022. IJB budget development session ran during January 2023 following the financial plan and associated financial gaps- CF 14/2/23	16/05/2019	31/12/2022	20/02/2023
												IJB budget offer from Partners	Ongoing dialogue with both Partners on budget offers for 2023/24 following Scottish Government letters on the parameters for Partners - CF 14/2/23	14/02/2023	31/03/2023	
5279	Impact of National Care Service Proposals	There is a risk that the NCS consultation could have a significant impact on the IJB, indeed the IJB could be replaced by a new body.		High	12	High	12	Wilson, Fiona M	Wilson, Fiona M	29/11/2021	18/11/2022	Scottish Government	CO engaging with the Scottish Government and inputting to the consultation - 16/8/22	15/08/2022	31/03/2023	

ID	Title	Description	Controls in place	Risk level (current)	Rating (current)	Risk level (Target)	Rating (Target)	Risk Owner	Handler	Date Opened	Date Risk Reviewed	Description	Progress	Start date	Due date	Done date
4018	Impact of Partners' Decisions	There is a risk that Partners reach decisions on priorities and services (including service reviews) that impact negatively on the UB leading to an inability to deliver the Strategic Plan	1. Involvement of UB membership in the Partners' decision making process including voting members and Officers 2. Involvement in Partners' service reviews 3. Good working relationships and regular formal /informal meetings 4. Participation in MSG self-evaluation to inform improvement actions for better partnership working.	High	12	Medium	9	Wilson, Fiona M	Wilson, Fiona M	17/06/2016	18/11/2022	Clarity and monitoring of directions	Action extended to cover the period April 2017 to March 2018. 16/05/19 directions for 2019-2020 currently in review. 23/12/19: Directions agreed at UB on 31/10/19 - ongoing action. 17/1/20: Directions being finalised for publication. 25/02/20: Directions (including links) will be taken to the Core and Extended CMT on 18th March. 26/02/2021: Development Session ran on the 27th Aug 2020 on Directions, the fitness of purpose of the current directions, the potential impact of Covid on directions, how direction will support remobilisation plans locally and nationally. A paper on Directions following this session was presented to the UB at the September business meeting of the UB.	03/04/2017	31/03/2023	
4947	NHSL Recovery Plan	There is a risk that the EL IJB will not provide satisfactory services due to acute waiting times, delayed discharges and mental health. There is a risk that we will fail to meet the 4 hour performance target for unscheduled care which could mean that patients fail to receive appropriate care due to volume and complexity of patients, staffing, lack and availability of beds, lack of flow leading to a delay to first assessment, a delay in diagnosis and therefore in treatment for patients and a reputational risk for the organisation. Scottish Government has escalated these risks to Level 3 & 4.	1. Extra capacity available in ELCH. 2. Winter Plan 3. Chief Officer on Recovery Board for Unscheduled Care and MH/LD. 4. NHSL Project Management support has been recruited. 5. Proactive teams are managing the situation on a daily basis. 6. Contribute to tele-conferencing.	High	16	High	12	Wilson, Fiona M	Wilson, Fiona M	19/12/2019	16/08/2022	Involvement in a Collaborative Approach with all 4 UB's	25/02/20: (1) Remits of groups and sub-groups in place (2) Operational delivery groups established and attended appropriately. 26/02/2021: Paper on the NHSL recovery programme was presented to the A&R Committee in March 2021. Committee has asked to receive regular updates.	07/01/2020	31/12/2020	16/08/2022
3925	Operational resources may be insufficient to deliver the Strategic Plan	There is a risk that the IJB fails to achieve its targets due to insufficient access to key services and resources e.g. General Practice, Care at Home, Care Homes, Health Visiting, Housing, acute services etc leading to failure to deliver the Strategic Plan resulting in risk to patients' and clients' safety, external review and reputational damage	1. The Strategic Plan sets out clear priorities 2. IJB directions are clear about actions required by NHS and Council 3. The Partnership Management Team is focused on ensuring adequate resources are in place for delegated functions to deliver the Strategic Plan 4. NHS Lothian is focused on ensuring adequate resources are in place for set-aside and hosted functions to deliver the Strategic Plan 5. NHS Lothian and East Lothian Council are focused on ensuring adequate resources are in place for non-delegated but related functions (e.g. housing), to deliver the Strategic Plan 6. Quarterly Performance Report to IJB and scrutiny by the Audit and Risk Committee. 7. Care at Home contracts in place. 8. Use of Integrated Care Fund to increase capacity and improve terms and conditions. 9. Use Primary Care Transformation Fund to improve access in west of county. 10. Joint Workforce Plan approved and in place at UB on 23/5/19. 11. Financial investment in additional capacity	High	12	Medium	6	Wilson, Fiona M	Wilson, Fiona M	26/02/2016	18/11/2022	Strategic Development	New strategic plan being developed which will set new directions. Plan will be completed by December 2022 and risk will require review after this time - 1/9/22	16/08/2022	31/12/2022	

**REPORT TO:** East Lothian IJB Audit & Risk Committee

**MEETING DATE:** 8 March 2023

**BY:** Chief Internal Auditor

**SUBJECT:** Internal Audit Plan 2023/24

---

3

## 1 PURPOSE

- 1.1 To inform the Audit and Risk Committee of Internal Audit's operational plan for 2023/24.

## 2 RECOMMENDATIONS

- 2.1 The Audit and Risk Committee is asked to approve the Audit Plan for 2023/24.

## 3 BACKGROUND

- 3.1 The annual audit plan has been prepared in accordance with Public Sector Internal Audit Standards (PSIAS).

- 3.2 In preparing the annual audit plan a range of factors have been taken into account, including:

- The Public Bodies (Joint Working) (Scotland) Act 2014, which sets out the framework for integrated adult health and social care services
- The Integration Scheme
- The IJB Strategic Plan 2022-2025
- The IJB risk register in place
- Changes in service delivery

- 3.3 Internal Audit will evaluate the adequacy and effectiveness of controls in responding to risks within the IJB's governance, operations and information systems, regarding the:

- Achievement of the IJB's strategic objectives.
  - Reliability and integrity of financial and operational information.
  - Effectiveness and efficiency of operations and programmes.
  - Safeguarding of assets.
  - Compliance with laws, regulations, policies, procedures and contracts.
- 3.4 The provision of the Internal Audit service is by East Lothian Council's Internal Audit Unit in partnership with the NHS Lothian Internal Audit team.
- 3.5 Internal Audit will adopt a risk based approach to audit assignments as the principal means of providing assurance on the adequacy, reliability and effectiveness of internal controls. Testing of controls will be carried out on a sample basis.
- 3.6 For each individual audit, a detailed audit report will be prepared for the IJB Chief Officer and copies of the audit report will be provided to External Audit and to members of the IJB Audit and Risk Committee.
- 3.7 Audit reports will highlight areas where expected controls have been met and areas where there is scope for improvement. The reports will contain detailed recommendations and record management responses to the recommendations.
- 3.8 Follow-up of all recommendations will be carried out, and formal follow up reviews completed for all reports graded limited or no assurance.
- 3.9 An Annual Internal Audit Opinion and Report will be prepared at the end of the financial year, outlining:
- A statement of the level of conformance with the Public Sector Internal Audit Standards and Local Government Application Note and the results of the Quality Assurance and Improvement Programme that support the statement.
  - An opinion on the overall adequacy and effectiveness of the IJB's framework of governance, risk management and control together with a summary of the work supporting the opinion.
- 3.10 The detailed Audit Plan for 2023/24 is attached as Appendix A

## **4 ENGAGEMENT**

- 4.1 The Audit Plan has been discussed with Management, but does not require wider engagement.

## **5 POLICY IMPLICATIONS**

5.1 None.

## **6 INTEGRATED IMPACT ASSESSMENT**

6.1 The subject of this report does not affect the wellbeing of the community or have a significant impact on equality, the environment or economy

## **7 DIRECTIONS**

7.1 The subject of this report does not require any amendment to or creation of Directions.

## **8 RESOURCE IMPLICATIONS**

8.1 Financial – None

8.2 Personnel – None

8.3 Other – None

## **9 BACKGROUND PAPERS**

9.1 None

<b>AUTHOR'S NAME</b>	Duncan Stainbank
<b>DESIGNATION</b>	Chief Internal Auditor
<b>CONTACT INFO</b>	dstainbank@eastlothian.gov.uk
<b>DATE</b>	28 February 2023





**APPENDIX A****AUDIT PLAN 2023/24**

<b>AUDITABLE AREAS</b>	<b>SCOPE OF THE AUDIT</b>	<b>INTERNAL AUDIT ASSESSED RISK</b>	<b>WEEKS</b>
Change Board Governance	Internal Audit will review the Governance structures in place for change boards to take forward there defined remits and provide regular assessment on progress against directions.	Medium	6
Performance Management	Internal Audit will review the processes in place for obtaining appropriate performance management information in support of Directions and the strategic plan from partner organisations and how this information is reported across the IJB Governance structures.	Medium	6
Publications Scheme	The NHS Lothian Internal Audit team will review the processes in place to ensure that the IJB has in place a complete, accurate, up to date, relevant and accessible publications scheme in line with the appropriate guidance and regulation.	Medium	NHS Audit Team
Follow-up Audits	Internal Audit will follow-up on previously issued audit reports to ensure that recommendations made have been implemented by Management.	Low	2
Other Audit Work	Time has been allocated for other audit work including the preparation of the audit plan, self-assessment against the Public Sector Internal Audit Standards (PSIAS) and the preparation of the annual internal audit opinion and report.	Low	1



# East Lothian Integration Joint Board

Annual Audit Plan 2022/23 – DRAFT

4



 AUDIT SCOTLAND

Prepared for East Lothian Integration Joint Board

27 February 2023

---

# Contents

---

<a href="#"><u>Introduction</u></a>	3
<a href="#"><u>Financial statements audit planning</u></a>	5
<a href="#"><u>Wider Scope and Best Value</u></a>	8
<a href="#"><u>Reporting arrangements, timetable, and audit fee</u></a>	11
<a href="#"><u>Other matters</u></a>	14
<a href="#"><u>Appendix 1. Your audit team</u></a>	16

---

# Introduction

---

## Summary of planned audit work

1. This document summarises the work plan for our 2022/23 external audit of East Lothian Integration Joint Board (the IJB). The main elements of our work include:

- evaluation of the key controls within the main accounting systems
- an audit of the annual accounts, and provision of an Independent Auditor's Report
- an audit opinion on other statutory information published within the annual accounts including the Management Commentary, the Annual Governance Statement and the Remuneration Report
- consideration of arrangements in relation to wider scope areas: financial management; financial sustainability; vision, leadership and governance; and use of resources to improve outcomes
- consideration of Best Value arrangements.

## Audit Appointment

2. We are pleased to be appointed as the external auditor of East Lothian IJB for the period 2022/23 to 2026/27 inclusive. You can find a brief biography of your audit team at [Appendix 1](#).

3. In the first year of the audit appointment, we invest significant time gaining an understanding of your business and identifying and assessing the risks of material misstatement to the financial statements. While we use our initial assessment of risk to inform our planned audit approach, we keep our assessment of risks under review as the audit progresses. We will inform you of any significant changes in assessed risks and any resulting changes in our planned audit work.

4. The audit team will actively engage with you over the course of the audit to ensure our audit work continues to be focused on risk.

## Adding value

5. We aim to add value to East Lothian IJB through our external audit work by being constructive and forward looking, by attending meetings of the Audit and Risk Committee and by recommending and encouraging good practice. In so doing, we will help East Lothian IJB promote improved standards of governance, better management and decision making and more effective use of resources.

## Respective responsibilities of the auditor and East Lothian IJB

6. The [Code of Audit Practice 2021](#) sets out in detail the respective responsibilities of the auditor and East Lothian IJB. Key responsibilities are summarised in [paragraphs 7 to 10](#).

### Auditor responsibilities

7. Our responsibilities as independent auditors are established by the Local Government (Scotland) Act 1973 and the [Code of Audit Practice](#) (including [supplementary guidance](#)) and guided by the Financial Reporting Council's Ethical Standard.

8. Auditors in the public sector give an independent opinion on the financial statements and other information within the annual accounts. We also review and report on wider scope arrangements including the IJB's arrangements to secure best value. In doing this, we aim to support improvement and accountability.

### East Lothian IJB responsibilities

9. East Lothian IJB is responsible for maintaining accounting records and preparing financial statements that give a true and fair view.

10. East Lothian IJB has the primary responsibility for ensuring the proper financial stewardship of public funds, compliance with relevant legislation and establishing effective arrangements for governance, propriety and regularity that enable it to deliver its objectives.

# Financial statements audit planning

## Introduction

**11.** The annual accounts are an essential part of demonstrating the IJB's stewardship of resources and its performance in the use of those resources.

**12.** We focus our work on the areas of highest risk. As part of our planning process, we prepare a risk assessment highlighting the audit risks relating to each of the main financial systems relevant to the production of the financial statements.

## Materiality

**13.** The concept of materiality is applied by auditors in planning and performing the audit, and in evaluating the effect of any uncorrected misstatements on the financial statements. We are required to plan our audit to determine with reasonable confidence whether the financial statements are free from material misstatement. The assessment of what is material is a matter of professional judgement over both the amount and the nature of the misstatement.

## Materiality levels for the 2022/23 audit

**14.** We assess materiality at different levels as described in [Exhibit 1](#). The materiality values for East Lothian IJB are set out in [Exhibit 1](#).

## Exhibit 1

### 2022/23 Materiality levels for East Lothian IJB

Materiality	Amount
<b>Planning materiality</b> – This is the figure we calculate to assess the overall impact of audit adjustments on the financial statements. Materiality has been set based on our assessment of the needs of the users of the financial statements and the nature of the IJB's operations. For the year ended 31 March 2023 we have set our materiality at 2% of net expenditure based on the audited financial statements for 2021/22.	£4.0 million
<b>Performance materiality</b> – This acts as a trigger point. If the aggregate of errors identified during the financial statements audit exceeds performance materiality, this could indicate that further audit procedures should be considered. Using our professional judgement, we have assessed performance materiality at 75% of planning materiality.	£3.0 million

**Reporting threshold (ie clearly trivial)** – We are required to report to those charged with governance on all unadjusted misstatements more than the 'reporting threshold' amount.

£250  
thousand

Source: Audit Scotland

## Significant risks of material misstatement to the financial statements

**15.** Our risk assessment draws on our cumulative knowledge of East Lothian IJB, its major transaction streams, key systems of internal control and risk management processes. It is informed by our discussions with management and those charged with governance, meetings with internal audit, attendance at committees and a review of supporting information.

**16.** Audit risk assessment is an iterative and dynamic process. Our assessment of risks set out in this plan may change as more information and evidence becomes available during the progress of the audit. Where such changes occur, we will advise management and where relevant, report them to those charged with governance.

**17.** Based on our initial risk assessment process, we identified the following significant risks of material misstatement to the financial statements. These are risks which have the greatest impact on our planned audit procedures. [Exhibit 2](#) summarises the nature of the risk, the sources of assurance from management arrangements and the further audit procedures we plan to perform to gain assurance over the risk.

### Exhibit 2

#### 2022/23 Significant risks of material misstatement to the financial statements

Significant risk of material misstatement	Sources of assurance	Planned audit response
<p><b>1. Risk of material misstatement due to fraud caused by management override of controls</b></p> <p>As stated in International Standard on Auditing (UK) 240, management is in a unique position to perpetrate fraud because of management's</p>	<p>Owing to the nature of this risk, assurances from management are not applicable in this instance</p>	<ul style="list-style-type: none"> <li>• Evaluate the assurances obtained from the auditors of East Lothian Council and NHS Lothian in line with the 2022/23 Integration Joint Boards Protocol for Auditor Assurances.</li> <li>• Agreement of balances and transactions to financial reports / ledger of the two partners.</li> <li>• Detailed testing of any significant year-end adjustments.</li> <li>• Review of East Lothian IJB financial monitoring reports during the year.</li> <li>• Make inquiries of individuals involved in the financial reporting process about inappropriate or unusual activity relating to the processing of journal entries and other adjustments.</li> </ul>



Significant risk of material misstatement	Sources of assurance	Planned audit response
ability to override controls that otherwise appear to be operating effectively.		<ul style="list-style-type: none"> <li>• Test the process for the IJB to record transactions, including journals at the year-end and post-closing entries, and focus on significant risk areas.</li> <li>• Assess the adequacy of controls in place for identifying and disclosing related party relationship and transactions in the financial statements.</li> <li>• We will assess any changes to the methods and underlying assumptions used to prepare accounting estimates compared to the prior year.</li> </ul>

Source: Audit Scotland

**18.** As set out in International Standard on Auditing (UK) 240: *The auditor's responsibilities relating to fraud in an audit of financial statement*, there is a presumed risk of fraud over the recognition of revenue. There is a risk that revenue may be misstated resulting in a material misstatement in the financial statements.

**19.** We have rebutted this risk as the IJB is wholly funded by contributions from East Lothian Council and NHS Lothian which are clearly communicated and can be readily agreed to third party confirmations. We have concluded there is limited opportunity and incentive to manipulate the recognition of income in the financial statements.

**20.** In line with Practice Note 10: *Audit of financial statements and regularity of public sector bodies in the United Kingdom*, as most public-sector bodies are net spending bodies, the risk of material misstatement due to fraud related to expenditure recognition may in some cases be greater than the risk relating to revenue recognition.

**21.** We have rebutted this risk as East Lothian IJB does not directly incur expenditure. The IJB commissions services from its partner bodies (East Lothian Council and NHS Lothian) with all IJB expenditure processed through the financial systems of the partner bodies. Therefore, the manipulation of expenditure is a risk for the partner bodies rather than the IJB.

**22.** We have not, therefore, incorporated specific work into our audit plan in these areas over and above our standard audit procedures.

---

# Wider Scope and Best Value

---

## Introduction

**23.** The [Code of Audit Practice](#) sets out the four areas that frame the wider scope of public sector audit. The Code of Audit Practice requires auditors to consider the adequacy of the arrangements in place for the wider scope areas in audited bodies.

**24.** In summary, the four wider scope areas cover the following:

- **Financial management** means having sound budgetary processes. We will consider the arrangements to secure sound financial management including the strength of the financial management culture, accountability and arrangements to prevent and detect fraud, error and other irregularities.
- **Financial sustainability** – as auditors, we consider the appropriateness of the use of the going concern basis of accounting as part of the annual audit. We will also comment on financial sustainability in the longer term. We define this as medium term (two to five years) and longer term (longer than five years).
- **Vision, leadership and governance** – we conclude on the arrangements in place to deliver the vision, strategy and priorities adopted by East Lothian IJB. We also consider the effectiveness of the governance arrangements to support delivery.
- **Use of resources to improve outcomes** – we will consider how East Lothian IJB demonstrates economy, efficiency and effectiveness through the use of financial and other resources.

## Wider scope risks

**25.** We have identified a wider scope audit risk in the area set out in [Exhibit 3](#). This exhibit sets out the risk, sources of assurance from management arrangements and the further audit procedures we plan to perform to gain assurances over the risk.

### Exhibit 3 2022/23 wider scope risk

Description of risk	Sources of assurance	Planned audit response
<p><b>1. Financial Sustainability:</b></p> <p>The IJB is operating in an environment of increasing financial constraints. The Medium-Term Financial Plan 2022/23-2026/27 indicates a funding gap in each year beyond 2022/23 but does not set out how the IJB plans to address the gap. There is a risk that the IJB is unable to deliver the changes required to remain within its resource constraints.</p> <p>In addition, The Scottish Government wrote to all IJBs in September 2022 indicating that, due to changes in public health policy, it intended to reclaim and re-distribute some IJB reserves which relate to Covid funding to meet current Covid priorities. It is anticipated that this will be achieved through a reduction in NHS funding allocations, ultimately reducing NHS Lothian's funding contribution to the IJB.</p> <p>If funding is reduced, this could have a significant impact on the IJB's ability to deliver services or its ability to meet future financial pressures.</p>	<ul style="list-style-type: none"> <li>• <i>To be added by IJB</i></li> </ul>	<p>We will review the IJB's financial reporting to assess the reasonableness of the assumptions in the medium-term financial plan.</p> <p>We will review progress made in dealing with cost pressures, including meeting any savings targets.</p> <p>We will review the Management Commentary in the annual accounts for disclosures on the IJB's financial decision making during 2022/23.</p> <p>We will review Board papers and minutes to assess the transparency of financial decision making.</p>

Source: Audit Scotland

**26.** Our planned work on our wider scope responsibilities is risk based and proportionate and in addition to local risks we consider challenges which are impacting the public sector as a whole. In 2022/23, we will consider arrangements for tackling climate change and responding to cyber security threats.

## Climate Change

**27.** Tackling climate change is one of the greatest global challenges. The Scottish Parliament has set a legally binding target of becoming net zero by 2045 and has interim targets including a 75% reduction in greenhouse gas emissions by 2030. The public sector in Scotland has a key role to play in ensuring these targets are met and in adapting to the impacts of climate change.

**28.** The Auditor General and Accounts Commission are developing a programme of work on climate change. In 2022/23, we will gather information on the IJB's arrangements for responding to climate change and the extent it works with NHS Lothian and East Lothian Council on areas such as the development of climate change strategies and the monitoring and reporting of progress against targets for reducing emissions.

## Cyber Security

**29.** There continues to be a significant risk of cyber-attacks to public bodies, and it is important that they have appropriate cyber security arrangements in place. A number of recent incidents have demonstrated the significant impact that a cyber-attack can have on both the finances and operation of an organisation. In 2022/23, we will consider the IJB's arrangements for managing and mitigating cyber security risks.

## Best Value

**30.** Auditors have a duty to be satisfied that bodies that fall within section 106 of the Local Government (Scotland) Act 1973 have made proper arrangements to secure Best Value. We will consider how East Lothian IJB demonstrates that it is meeting its Best Value responsibilities and we will report our findings as part of our Annual Audit Report.

# Reporting arrangements, timetable, and audit fee

## Reporting arrangements

**31.** Audit reporting is the visible output for the annual audit. All Annual Audit Plans and the outputs, as detailed in [Exhibit 4](#), and any other outputs on matters of public interest will be published on our website: [www.audit-scotland.gov.uk](http://www.audit-scotland.gov.uk).

**32.** Matters arising from our audit will be reported on a timely basis and will include agreed action plans. Draft management reports will be issued to the relevant officers to confirm factual accuracy.

**33.** We will provide an independent auditor's report to East Lothian IJB and the Accounts Commission setting out our opinions on the annual accounts. We will provide East Lothian IJB and the Controller of Audit with an annual report on the audit containing observations and recommendations on significant matters which have arisen during the audit.

**34.** [Exhibit 4](#) outlines the target dates for our audit outputs, and we aim to issue the independent auditor's report by the statutory deadline of 30 September 2023.

## Exhibit 4 2022/23 Audit outputs

Audit Output	Target date	Audit and Risk Committee Date
Annual Audit Plan	31 March 2023	8 March 2023
Independent Auditor's Report	30 September 2023	12 September 2023
Annual Audit Report	30 September 2023	12 September 2023

Source: Audit Scotland

## Timetable



**35.** To support an efficient audit, it is critical that the timetable for producing the annual report and accounts for audit is achieved. We have included a proposed timetable for the audit at [Exhibit 5](#) that has been discussed with management.

**36.** Covid-19 has had a considerable impact on the conduct and timeliness of the audit. We recognise that it is in the best interests of public accountability to get the

reporting of audited accounts back to pre-pandemic timelines. We are identifying ways to work more efficiently to expedite the 2022/23 audits whilst at the same time maintaining high standards of quality.

**37.** We intend to take a hybrid approach to the 2022/23 audit with a blend of onsite and remote working. We will continue to work closely with management to identify the most efficient approach as appropriate and will keep timeframes and logistics for the completion of the audit under review. Progress will be discussed with management and finance officers over the course of the audit.

## Exhibit 5 Proposed annual accounts timetable

 Key stage	 Provisional Date
Consideration of the unaudited annual accounts by those charged with governance	22 June 2023
Latest submission date for the receipt of the unaudited annual accounts with complete working papers package.	30 June 2023
Latest date for final clearance meeting with the Chief Finance Officer	15 August 2023
Issue of draft Letter of Representation and proposed Independent Auditor's Report	29 August 2023
Agreement of audited and unsigned annual accounts	12 September 2023
Issue of Annual Audit Report to those charged with governance.	12 September 2023
Signed Independent Auditor's Report	By 30 September 2023

Source: Audit Scotland

## Audit fee

**38.** In determining the audit fee, we have taken account of the risk exposure of the East Lothian IJB and the planned management assurances in place. The proposed audit fee for 2022/23 is £31,470 (2021/22 £27,960) as set out in [Exhibit 6](#).

**39.** Our fees have increased in 2022/23 and this is a reflection of the current audit market and the rising costs in delivering high quality audit work. There are increased regulatory expectations and risks placed on audit and its quality, as well as a widening in the scope of work audit must cover.

## Exhibit 6 Audit fees (including VAT)

Fee component	Fees (£)
External Auditor Remuneration	33,220
Contribution to Audit Scotland costs	1,260
Contribution to Performance and Best Value	6,320
Sectoral Cap Adjustment	-9,330
2022/23 Audit fee	31,470

Source: Audit Scotland

**40.** In setting the fee for 2022/23 we have assumed that East Lothian IJB has effective governance arrangements and will prepare comprehensive and accurate accounts for audit in line with the agreed timetable for the audit. The audit fee assumes there will be no major change in respect of the scope of the audit during the year and where our audit cannot proceed as planned, a supplementary fee may be levied.

---

# Other matters

---

## Internal audit

**41.** It is the responsibility of East Lothian IJB to establish adequate internal audit arrangements. From our initial review of the internal audit plans, we do not plan to place formal reliance on internal audit's work for our financial statements responsibilities.

**42.** While we are not planning to place formal reliance on the work of internal audit in 2022/23, we will review internal audit reports and assess the impact of the findings on our financial statements and wider scope audit responsibilities.

## Independence and objectivity

**43.** Auditors appointed by the Auditor General for Scotland or Accounts Commission must comply with the [Code of Audit Practice](#) and relevant supporting guidance. When auditing the financial statements, auditors must also comply with professional standards issued by the Financial Reporting Council and those of the professional accountancy bodies. These standards impose stringent rules to ensure the independence and objectivity of auditors.

**44.** Audit Scotland has robust arrangements in place to ensure compliance with these standards including an annual '*fit and proper*' declaration for all members of staff. The arrangements are overseen by the Executive Director of Innovation and Quality, who serves as Audit Scotland's Ethics Partner.

**45.** The appointed auditor for East Lothian IJB is John Boyd, Audit Director. Auditing and ethical standards require the appointed auditor to communicate any relationships that may affect the independence and objectivity of audit staff. We are not aware of any such relationships pertaining to the audit of East Lothian IJB.

## Audit Quality

**46.** Quality is at the core of public audit in Scotland and is the foundation for building consistency and confidence across all audit work. High quality audits provide assurance, add value and can support public bodies to achieve their objectives.

**47.** Until 2021/22, the applicable audit quality standard was International Standard on Quality Control 1 (ISQC (UK) 1). This set out an audit practice's responsibilities for its system of quality control for audits.

**48.** ISQC(UK) 1 has been replaced by two new audit quality standards: Internal Standards on Quality Management (ISQM (UK) 1) applicable from 15 December 2022 and (ISQM(UK) 2) effective for the 2023/24 audits. Work is underway at Audit Scotland to meet the requirements of these quality standards.



**49.** Audit Scotland is committed to delivering high quality audits. The foundation of our quality framework is our Audit Guide, which incorporates the application of professional auditing, quality and ethical standards and the [Code of Audit Practice](#) (and supplementary guidance) issued by Audit Scotland and approved by the Auditor General for Scotland. To ensure that we achieve the required quality standards, Audit Scotland conducts peer reviews and internal quality reviews. Additionally, the Institute of Chartered Accountants of England and Wales (ICAEW) have been commissioned to carry out external quality reviews.

**50.** As part of our commitment to quality and continuous improvement, Audit Scotland will periodically seek your views on the quality of our service provision. We welcome feedback at any time, and this may be directed to the engagement lead.

---

# Appendix 1. Your audit team

---

**51.** The senior audit team involved in the audit of East Lothian IJB have significant experience in public sector audit. The senior team will be supported by a number of part or fully qualified auditors to complete the audit work.

John Boyd

Audit Director

[jboyd@audit-scotland.gov.uk](mailto:jboyd@audit-scotland.gov.uk)

John is the Audit Director, with overall responsibility for the Audit Engagement. John has considerable audit experience across public sector audits including local government, IJB, health and central government sectors. John is the Audit Scotland Audit Services Group Lead for local authority audit and is a member of the Local Authority (Scotland) Accounting Advisory Committee (LASAAC).

Rachel Browne

Senior Audit Manager

[rbrowne@audit-scotland.gov.uk](mailto:rbrowne@audit-scotland.gov.uk)

Rachel has over 25 years of public sector audit experience and has delivered external audit services to a range of bodies including local authorities, health boards and central government bodies.

Karla Graham

Senior Auditor

[kgraham@audit-scotland.gov.uk](mailto:kgraham@audit-scotland.gov.uk)

Karla has considerable experience in planning and delivering audits. Karla will manage the team and work alongside the Senior Audit Manager and Audit Director to deliver the audit.

**52.** The local audit team is supported by a specialist technical accounting team, all of whom have significant experience of public bodies and work with accounting regulatory bodies.

# East Lothian Integration Joint Board

## Draft Annual Audit Plan 2022/23

Audit Scotland's published material is available for download on the website in a number of formats. For information on our accessibility principles, please visit:

[www.audit-scotland.gov.uk/accessibility](http://www.audit-scotland.gov.uk/accessibility)

For the latest news follow us on social media or [subscribe to our email alerts.](#)



Audit Scotland, 4th Floor, 102 West Port, Edinburgh EH3 9DN  
Phone: 0131 625 1500 Email: [info@audit-scotland.gov.uk](mailto:info@audit-scotland.gov.uk)  
[www.audit-scotland.gov.uk](http://www.audit-scotland.gov.uk)



**REPORT TO:** East Lothian IJB Audit & Risk Committee

**MEETING DATE:** 8 March 2023

**BY:** Chief Internal Auditor

**SUBJECT:** Internal Audit Report – Workforce Planning

---

5

## **1 PURPOSE**

- 1.1 To inform the Audit and Risk Committee of the recently issued audit report on Workforce Planning.

## **2 RECOMMENDATIONS**

- 2.1 The Audit & Risk Committee is asked to note the contents of the audit report.

## **3 BACKGROUND**

- 3.1 An assurance review of Workforce Planning has been undertaken as part of the Audit Plan for 2022/23.
- 3.2 The main objective of the audit was to review the adequacy and effectiveness of the arrangements in place for Workforce Planning within the East Lothian IJB.
- 3.3 The main findings from our audit work are outlined in the attached report which has been graded Reasonable Assurance.

## **4 ENGAGEMENT**

- 4.1 The findings from the review have been discussed with Management, but do not require wider engagement.

## **5 POLICY IMPLICATIONS**

5.1 None

## **6 INTEGRATED IMPACT ASSESSMENT**

6.1 The subject of this report does not affect the wellbeing of the community or have a significant impact on equality, the environment or economy.

## **7 DIRECTIONS**

7.1 The subject of this report does not require any amendment to or creation of Directions.

## **8 RESOURCE IMPLICATIONS**

8.1 Financial – None

8.2 Personnel – None

8.3 Other – None

## **9 BACKGROUND PAPERS**

9.1 None.

Appendix 1: Internal Audit Report – Workforce Planning

<b>AUTHOR'S NAME</b>	Duncan Stainbank
<b>DESIGNATION</b>	Chief Internal Auditor
<b>CONTACT INFO</b>	dstainbank@eastlothian.gov.uk
<b>DATE</b>	28 February 2022



# East Lothian IJB Workforce Planning February 2023

**Conclusion**

Reasonable Assurance

# Contents page

Executive Summary	3
Headlines	4
Areas where expected controls are met/good practice	6
Detailed Recommendations	7
Appendices	
Appendix A – Recommendation Grading/Overall opinion	10



# 1 Executive Summary:

## Conclusion: Reasonable Assurance

The East Lothian IJB has through the 2022-25 Strategic Workforce Development Plan introduced a reasonable framework for workforce planning across the HSCP. While the ELHSCP Workforce Planning and Organisational Development Steering Group is responsible for the operational delivery of the Workforce Plan, improvement opportunities have been identified around the monitoring of progress and Directions.

### Background

In July 2015 East Lothian IJB (ELIJB) took on duties in the East Lothian Council area for development of integrated planning and delivery of health and social care services and criminal justice social work, as well as certain acute hospital services managed by NHS Lothian (NHSL). East Lothian Health and Social Care Partnership manages operational delivery of services in the county. Workforce planning is the ongoing process of analysing and forecasting employee supply and demand to ensure that organisational service delivery demands are effectively aligned with its available workforce, enabling organisations to deliver their strategic objectives and meet their legislative and statutory requirements. Workforce planning also involves identifying and addressing any potential gaps in workforce supply, that could potentially involve commissioning external service providers to support service delivery.

The ELIJB is not an employer, but is required by the Act, to put in place appropriate workforce plans to assure the availability of an appropriately trained workforce to deliver local health and social care services, including consideration of NHSL and Council workforce planning arrangements. The provision of adequate resources is recognised within the ELIJB strategic risk register as a high-level risk in that operational resources may be insufficient to deliver the Strategic Plan 2022-25. The 2022-25 ELHSCP Strategic Workforce Development Plan has been developed in partnership with local statutory, independent, voluntary, and third sector partners and Trade Unions. The Workforce Planning & Development Steering Group acts on behalf of the Senior Management Team in a high-level strategic oversight role. All General Managers within the Partnership have responded to the workforce plan for their area.

### Summary of findings & recommendations

The following key findings and recommendations are highlighted, which have all been **agreed by the Workforce Development Officer and the General Manager Planning and Performance – East Lothian Health and Social Care Partnership**:

- While it is noted that the 2022-23 Directions have been developed following a review of progress with existing Directions and engagement with each of the Change Boards regarding directions within their remit, they do not include specific reference to the Board's Workforce Plan. *Management have agreed to update the current Directions by 31 March 2023.*
- A comprehensive skills gap analysis has not yet been completed, therefore the Board cannot yet determine the upcoming workforce demands and develop the appropriate recruitment and training strategies to address current and future skills gaps within the workforce. *Management have agreed to conduct an exercise to identify the skills gaps and introduce appropriate measures by August 2023.*
- While some local workforce plans, such as the Planning and Performance Team plan and Operations plan have followed an identical format, recording for each action – Team, What, How, Completion Date and Update, the remaining plans do not follow this format and have not included a target completion dates. *Management have agreed to remind staff of their responsibilities in following the agreed format by 31 March 2023.*
- A process for the reporting of progress into East Lothian IJB or Committee has not yet been agreed. *Management have agreed to provide progress reports to the East Lothian IJB every six months by October 2023.*

### Materiality

There are no reported resource implications from the 2022-25 Strategic Workforce Development Plan. Training and other related costs are likely to be covered within the current budget. Additionally, no further staffing is required, with the intention to address gaps using current workforce.

Recommendations Grade	High	Medium	Low	Total
Current Report	-	2	2	4
Prior report	N/A	N/A	N/A	N/A

## 2 Headlines

Objectives	Conclusion	Comment
1. The workforce planning framework is in place, reflects the ELIJB's current strategic objectives and follows local or national guidance	Reasonable	The East Lothian Strategic Plan 2022-2025 has recorded as a key strategic enabler the delivery of the Board's Workforce Plan, with a number of workforce priorities reported at a strategic level. The East Lothian HSCP has developed its 2022-25 Strategic Workforce Development Plan, which is scheduled to be approved at the ELIJB meeting on the 23 February 2023. The Plan has been developed using the guidance contained within the National Workforce Strategy for Health and Social Care in Scotland. However, current Directions do not include specific reference to the Board's Workforce Plan.
2. Workforce Plans are in place within the IJB and partnership. Existing workforce requirements, including prioritise actions to address gaps in skills and numbers are identified	Reasonable	The development of the 2022-2025 Workforce Plans was overseen by the ELHSCP Workforce Planning and Organisational Development Steering Group, which includes as membership the relevant General Managers/Senior staff from NHS Lothian and East Lothian Council. Partnership Boards also understand the workforce requirements and have in place detailed workforce plans to support the ELIJB's strategic objectives. However, a comprehensive skills gap analysis has not yet been completed. Additionally, locally produced workforce plans are inconsistent in layout and management of targets.
3. Appropriate governance arrangements are in place to monitor and report progress against the workforce plan	Reasonable	Following East Lothian IJB's approval of the Strategic Workforce Development Plan 2022-25 in February 2023, the review of progress against the plan will be at the 6-weekly meetings of the Workforce Planning and Organisational Development Steering Group. The Steering Group will also receive updates on progress against the local service/team plans. However, a process for the reporting of progress into East Lothian IJB or Committee has not yet been agreed.

### 3 Areas where expected controls are met/good practice.

No.	Areas of Positive Assurance
1.	The East Lothian Strategic Plan 2022-2025 has recorded as a key strategic enabler the delivery of the Board's Workforce Plan, with a number of workforce priorities reported at a strategic level, including undertaking a skills gap analysis and identifying developmental requirements and Integrating East Lothian Council and NHS Lothian workforce policies and practices as far as possible.
2.	The East Lothian HSCP has developed its 2022-25 Strategic Workforce Development Plan, which is scheduled to be approved at the ELIJB meeting on the 23 February 2023. The Plan has been developed using the guidance contained within the National Workforce Strategy for Health and Social Care in Scotland.
3.	The development of the 2022-2025 Workforce Plans was overseen by the ELHSCP Workforce Planning and Organisational Development Steering Group, which includes as membership the relevant General Managers/Senior staff from NHS Lothian and East Lothian Council. Partnership Boards also understand the workforce requirements and have in place detailed workforce plans to support the ELIJB's strategic objectives.
4.	Actions within the workforce plans are agreed and appropriate to sufficiently address any gaps identified including consideration of new ways of working or improvements in technology in future requirements. Controls are also in place for the review of progress against target by the ELHSCP Workforce Planning and Organisational Development Steering Group.
5.	All significant workforce planning risks have been identified and reflected in the ELIJB risk register, with controls in place for ongoing management, review and reporting.

## 4 Detailed Recommendations

### Workforce Planning Framework

Objective: 1	Current Directions do not include specific reference to the Board’s workforce planning objectives	Grade	Recommendation
<p>In February 2022 The Chief Officer submitted a report to the East Lothian IJB presenting a set of recommendations to the IJB for updates to its Directions for 2020-21. The report also outlined proposals to revisit the approach taken to issuing, monitoring and reviewing Directions.</p> <p>A report also outlined the background to the review of Directions and their role in the delivery of the IJB’s Strategic Plan. Members were asked to approve the retention, revision or retirement of individual directions as recommended by the Change Boards.</p> <p>A review of current IJB Directions was scheduled to take place on the back of the publication of East Lothian IJB’s Strategic Plan for 2022-2025 (agreed at a meeting of the East Lothian IJB in September 2022). To support this, a new Directions Policy has been developed to support the planned review of the directions.</p> <p>However, while it is noted that the 2022-23 directions have been developed following a review of progress with existing directions and engagement with each of the Change Boards regarding directions within their remit, they do not include specific reference to the Board’s Workforce Plan. Furthermore, the planned review of the Directions has not been concluded.</p> <p>There is a risk that without a clear direction around workforce planning it cannot be concluded that that directions are issued in relation to any IJB decisions that have an impact on, or require specific action by, the delivery partners.</p>		<b>Low</b>	<p><b>1.1 Management should agree an appropriate direction for the ongoing management and delivery of the Board’s workforce planning objectives.</b></p> <p><b>Thereafter this should be incorporated in to the 2023-24 suite of Directions and communicated to partnership.</b></p>

### Management response

**Agreed. Directions will be updated to include the ongoing management and delivery of the Board’s workforce planning objectives. Thereafter they will be presented for approval at the meeting of the Board on 23 March 2023 before being shared with Partnership.**

### Responsible officer & target date

**Workforce Development Officer – East Lothian HSCP**  
**31 March 2023**

# 4 Detailed Recommendations

## Workforce Requirements

Objective 2	A comprehensive skills gap analysis has not been completed	Grade	Recommendation
<p>In April 2022, national guidance for the development of 3-year workforce plans was published by the Scottish Government. This asked Boards and IJBs to:</p> <ul style="list-style-type: none"> <li>Assess upcoming workforce demand and need in their 3-Year Workforce Plans.</li> <li>Provide information on their current workforce (undertaking a gap analysis comparing demand analysis with current workforce).</li> <li>Provide an assessment of workforce needs to fill the gap.</li> </ul> <p>The ELHSCP Strategic Development Workforce Plan 2022/25, developed in line with the national guidance, has included a number of objectives, including:</p> <ul style="list-style-type: none"> <li>Identify the skills gaps within the current workforce and provide support, training and development opportunities to upskill accordingly.</li> <li>Maximise opportunities to attract a new workforce to the Partnership to fill any skills gaps through various methods.</li> </ul> <p>However a comprehensive skills gap analysis has not yet been completed, therefore the Board cannot yet determine the upcoming workforce demands and develop the appropriate recruitment and training strategies to address current and future skills gaps within the workforce.</p> <p>There is therefore a risk that there will be insufficient trained staff to deliver the HSCP services for East Lothian.</p>		<b>Medium</b>	<p><b>2.1 Management should schedule as soon as possible a comprehensive review of the future demand and need. Thereafter a gap analysis should be concluded to identify the skills gaps and introduce appropriate measures to address them.</b></p>

Management response	Responsible officer & target date
<p><b>Agreed. While there is monthly analysis of vacancies across the whole of the partnership, further work is required to agree future establishment requirements with the Chief Nurse. Once done, an exercise will be conducted to identify the skills gaps and introduce appropriate measures to address them.</b></p>	<p><b>Workforce Development Officer – East Lothian HSCP</b></p> <p><b>31 August 2023</b></p>

# 4 Detailed Recommendations

## Actions and Objectives

Objective 2	Local workforce plans are inconsistent and do not support appropriate review	Grade	Recommendation
<p>The HSCP Strategic Development Workforce Plan 2022-23 has included an action plan, which has been summarised into an action plan outline, recording:</p> <ul style="list-style-type: none"> <li>• Actions required</li> <li>• How to deliver them</li> <li>• Who is responsible</li> <li>• Review period</li> </ul> <p>Additionally, all General Managers have developed local, service/team specific workforce plans for the following areas:</p> <ul style="list-style-type: none"> <li>• Acute and Ongoing Care</li> <li>• Adult Social Work</li> <li>• East Lothian Rehabilitation Services</li> <li>• Learning Disability, Mental Health and Substance Abuse</li> <li>• Operations Directorate</li> <li>• Planning &amp; Performance Team</li> <li>• Primary Care</li> </ul> <p>However, while some plans, such as the Planning and Performance Team plan and Operations plan have followed an identical format, recording for each action – Team, What, How, Completion Date and Update, the remaining plans do not follow this format and have not included a target completion dates.</p> <p>There is a risk that actions recorded within some of the service/team plans will not be subject to appropriate review and scrutiny where a target date for completion has not been included.</p>		<b>Medium</b>	<b>2.2 Management should ensure that the individual service/team plans have followed a consistent format and that target completion dates are clearly stated.</b>
<b>Management response</b>		<b>Responsible officer &amp; target date</b>	
<p><b>Agreed. While it should be noted that General Managers are responsible for their individual workforce plans, further instruction will be provided to remind staff of their responsibilities in following the agreed format.</b></p>		<p><b>Workforce Development Officer – East Lothian HSCP</b></p> <p><b>31 March 2023</b></p>	

# 4 Detailed Recommendations

## Governance Arrangements

Objective 3	Arrangements for reporting into Board or Committee have not been agreed	Grade	Recommendation
	<p>The review sought to also ensure that the progress of delivery against set workforce planning objectives is monitored by management and the relevant East Lothian IJB governance forum.</p> <p>The development of the 2019-2022 and 2022-2025 Workforce Plans was through the ELHSCP Workforce Planning and Organisational Development Steering Group, which includes as membership the relevant General Managers/Senior staff from NHS Lothian and East Lothian Council.</p> <p>Following East Lothian IJB's approval of the Strategic Development Workforce Plan 2022-25 in February 2023, the review of progress against the plan will be at the 6-weekly meetings of the Workforce Planning and Organisational Development Steering Group. The Steering Group will also receive updates on progress against the local service/team plans.</p> <p>However, a process for the reporting of progress into East Lothian IJB or Committee has not yet been agreed.</p> <p>There is a risk that if the Board or nominated Committee is not routinely appraised of progress against the Workforce Plan, they will be unable to take action or issue instruction as necessary. They will also be unaware if the Board's strategic and workforce objectives are being addressed.</p>	<b>Low</b>	<b>3.1 Management should agree with the East Lothian IJB the appropriate frequency and forum for the reporting of progress against the delivery of the 2022-25 Strategic Development Workforce Plan</b>

Management response	Responsible officer & target date
<p><b>Agreed. Arrangements will be made to provide progress reports to the East Lothian IJB every six months. As part of these the Board will be asked to confirm that they are content with the reporting frequency.</b></p>	<p><b>Workforce Development Officer – East Lothian HSCP</b></p> <p><b>31 October 2023</b></p>

# A Recommendation Grading/Overall opinion definitions

Recommendation	Definition
<b>High</b>	Recommendations relating to factors fundamental to the success of the control objectives of the system. The weaknesses may give rise to significant financial loss/misstatement or failure of business processes.
<b>Medium</b>	Recommendations which will improve the efficiency and effectiveness of the existing controls.
<b>Low</b>	Recommendations concerning minor issues that are not critical, but which may prevent attainment of best practice and/or operational efficiency.

Levels of Assurance	Definition
<b>Substantial Assurance</b>	A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.
<b>Reasonable Assurance</b>	There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.
<b>Limited Assurance</b>	Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited
<b>No Assurance</b>	Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.



**REPORT TO:** East Lothian IJB Audit & Risk Committee

**MEETING DATE:** 8 March 2023

**BY:** Chief Internal Auditor

**SUBJECT:** Internal Audit Report – Strategic Planning

---

6

## **1 PURPOSE**

- 1.1 To inform the Audit and Risk Committee of the recently issued audit report on Strategic Planning.

## **2 RECOMMENDATIONS**

- 2.1 The Audit & Risk Committee is asked to note the contents of the audit report.

## **3 BACKGROUND**

- 3.1 An assurance review of Strategic Planning has been undertaken as part of the Audit Plan for 2022/23.
- 3.2 The main objective of the audit was to review the adequacy and effectiveness of the arrangements in place for Strategic Planning within the East Lothian IJB.
- 3.3 The main findings from our audit work are outlined in the attached report which has been graded Reasonable Assurance.

## **4 ENGAGEMENT**

- 4.1 The findings from the review have been discussed with Management, but do not require wider engagement.

## **5 POLICY IMPLICATIONS**

5.1 None

## **6 INTEGRATED IMPACT ASSESSMENT**

6.1 The subject of this report does not affect the wellbeing of the community or have a significant impact on equality, the environment or economy

## **7 DIRECTIONS**

7.1 The subject of this report does not require any amendment to or creation of Directions.

## **8 RESOURCE IMPLICATIONS**

8.1 Financial – None

8.2 Personnel – None

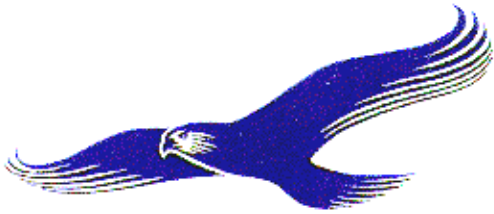
8.3 Other – None

## **9 BACKGROUND PAPERS**

9.1 None.

Appendix 1: Internal Audit Report – Strategic Planning

<b>AUTHOR'S NAME</b>	Duncan Stainbank
<b>DESIGNATION</b>	Chief Internal Auditor
<b>CONTACT INFO</b>	dstainbank@eastlothian.gov.uk
<b>DATE</b>	28 February 2022



# East Lothian Council Strategic Plan Audit March 2023

**Conclusion**

Reasonable Assurance

# Contents page

Executive Summary	3
Headlines	4
Areas where expected controls are met/good practice	5
Detailed Recommendations	6
Appendices	
Appendix A – Recommendation Grading/Overall opinion	11

# 1 Executive Summary:

## Conclusion: Reasonable Assurance

The internal controls in place for the Strategic Plan are generally sound, with Strategic Plans for the IJB remaining in place and the Annual Performance Report being produced on an annual basis that tracks progress with the Strategic Plan. However the governance of the processes can be improved as the IJB have approved draft copies of the Strategic Plan and Annual Performance Reports rather than the final copies, accessibility of publication of final reports should also be confirmed. Currently there are no commercial providers represented on the Strategic Planning Group as guidance indicates is required.

### Background

The East Lothian Integration Joint Board (IJB) has a duty to ensure that it complies with the requirements of the Public Bodies (Joint Working) (Scotland) Act 2014 and is required to put in place a Strategic Plan which is reviewed and refreshed every three years. The 2019-22 Strategic Plan was approved at the Integration Joint Board meeting on 28 March 2019 and the 2022-2025 Strategic Plan was approved at the 15 September 2022 meeting. Consultation for the Strategic Plan was held between January and July 2022, which highlighted a number of themes and issues raised by consultees which were considered along current local and national policy and strategy drivers.

### Summary of findings & recommendations

The following key findings and recommendations are highlighted, which have all been **agreed by the Interim General Manager Strategic Integration**:

- Both the Strategic Plan and the Annual Performance Report have only been approved as draft reports. *Management have agreed to amend wording on recommendations that clarifies when final copies of reports will be approved by December 2023.*
- Representatives from the Commercial sector have not been in place since October 2021 on the Strategic Planning Group. The Strategic Commissioning Plans Guidance indicates that this is one of the 12 groups that should be represented. *Management have agreed to complete a recruitment process by September 2023.*
- Copies of the Strategic Plan and the Annual Performance Report are only available online, there is no documented confirmation that this provides adequate access for all user groups, and some of the external body online links need to be updated for the 2022-25 Strategic Plan. *Management have agreed to consult formally with the Strategic Planning Group on appropriate viable publication methods and update the online links by September 2023.*
- There doesn't appear to be regular attendance from representatives from the statutory groups. Management should try to encourage attendance by all representatives at the Strategic Planning Group meetings. *Management have agreed to try and encourage attendance at meetings by September 2023.*

### Recommendation Summary

Recommendations Grade	High	Medium	Low	Total
Current Report	-	4	2	6
Prior report	N/A	N/A	N/A	N/A*

\* This control review is new and no prior report exists for comparison

### Materiality

The IJB Strategic Plan 2022-25 provides an annual overall budget of £177.5 Million from four areas being Adult Wellbeing, Community NHS, Hosted NHS and Set Aside (Acute Hospitals). The IJB Strategic Plan 2022-25 also indicates that East Lothian's population of 107,900 will grow to 121,743 by 2043. This rate of growth is amongst the highest in Scotland. The highest growth will be in the 65-74 and 75+ age bands, with the over 75s population increasing markedly. These factors are reflected in the Strategic Plan objectives.

## 2 Headlines

Objectives	Conclusion	Comment
1. A Strategic Plan has been put in place and approved by the Joint Board within the required timescales	Reasonable	A revised Strategic Plan was approved by the IJB at the meeting on the 15 September 2022, however the version approved was a draft rather than the final copy. To ensure appropriate Governance the IJB should ensure that formal approval is documented for the final Strategic Plan. The plan contains 7 strategic objectives based on the feedback received from stakeholder engagement.
2. A Strategic Planning Group has been put in place to oversee the review of the previous plan and the development of the new plan	Reasonable	A Strategic Planning Group has been in place since 2015. Representatives from the 12 groups who have a statutory right to form part of the planning group have been well represented in 10 of these groups. The Commercial Providers have not been represented on the Strategic Planning group since October 2021. A member representing Commercial Providers should be recruited to join the Strategic Planning Group.
3. As required in the guidance consultations have been undertaken with third parties who have an interest in social care	Substantial	20 different groups of users and carers were consulted during the initial stages of developing and revising the Strategic Plan. Evidence of discussions held was summarised to ensure that the requirements were included in the final plan.
4. An annual review process has been put in place to review the plan on an annual basis	Substantial	An Annual Performance Report has to be produced each year which outlines the progress made with delivering the strategic objectives set out in the Strategic Plan. The Performance report continued to be published for the 2019/20, 2020/21 and 2021/22 financial years throughout the COVID Pandemic.
5. The Guidance states that the Strategic Plan and the summary of its accompanying consultation have been published in a variety of formats and at a minimum on the internet.	Reasonable	Once the Strategic Plan has been approved it must be published together with a summary report to provide an overview of the feedback contained within the main report. Copies of the reports are only available online, meeting the minimum requirement of guidance. We were informed that it would only be made available in other formats if this was requested. We did not find any evidence that these methods of communication had been fully consulted on with all stakeholders and user groups to ensure that this met the needs of all.

### 3 Areas where expected controls are met/good practice.

No.	Areas of Positive Assurance
1.	<p>The 2019-22 Strategic Plan was approved at the Integration Joint Board meeting on 28 March 2019 and the 2022-2025 Strategic Plan was approved at the 15 September 2022 meeting. The Strategic Plan has 7 strategic objectives:</p> <ul style="list-style-type: none"><li>• Develop services that are sustainable and proportionate to need;</li><li>• Deliver new models of community provision, working collaboratively with communities;</li><li>• Focus on prevention and early intervention;</li><li>• Enable people to have more choice and control and provide are closer to home;</li><li>• Further develop/embed integrated approaches and services;</li><li>• Keep people safe from harm; and</li><li>• Address health inequalities.</li></ul>
2.	<p>Stakeholder engagement was a key element of the activity that took place to inform the development of the Strategic Plan. A four-month engagement process involved workshops, group discussions and online approaches to gather the views of local people; third sector and community groups supporting people with a range of needs; and HSCP colleagues involved in planning and delivering services. 20 different groups of users and carers were consulted during the initial stages of revising the Strategic Plan and evidence of discussions held was summarised to ensure that the requirements were included in the final plan.</p>
3.	<p>An Annual Performance Report has to be produced each year which outlines the progress that has been made with delivering the strategic objectives that had been set out in the Strategic Plan. The Performance Report continued to be published for the 2019/20, 2020/21 and 2021/22 financial years throughout the COVID Pandemic</p>

# 4 Detailed Recommendations

## Strategic Plan Approval

Objective: 1	Finding & Risk 1	Grade	Recommendation
	<p>The Public Bodies (Joint Working)(Scotland) Act 2014 requires that each Integration Authority must put a Strategic Plan in place and that this Plan must be reviewed and republished every 3 years.</p> <p>We found that a paper was presented to the IJB at its meeting on 15 September 2022 seeking approval of the revised IJB Strategic Plan which was approved unanimously. It was similarly approved by the Strategic Planning Group, prior to the IJB in its role of advising the Board on strategic matters. However we found that the Plan approved by the IJB was only a draft version and we could find no evidence that final plan had been approved.</p> <p>There is a risk that the final report has not been approved by the Integration Joint Board prior to being published and that all information within has not been formally approved.</p>	<b>Medium</b>	<b>1.1 Management should ensure that the final version of the plan is subject to formal approval by the IJB.</b>

Management response	Responsible officer & target date
<b>Agreed, approval of a final draft will be clarified that there is a devolved responsibility to senior managers to arrange the final designed and published version.</b>	<b>Interim General Manager Strategic Integration December 2023</b>



# 4 Detailed Recommendations

## Strategic Planning Group Representation

Objective 2	Finding & Risk 1	Grade	Recommendation
	<p>S32 of the Public Bodies (Joint Working)(Scotland) Act 2014 states the people who are to form part of the Strategic Planning Group. It also states that “one person in respect of each of the groups mentioned in subsection (2), being person who the integration authority considers to be representative of that group” and further states that “The groups referred to in subsection (1)(d) are such groups of persons appearing to the Scottish Ministers to have an interest as may be prescribed.” The Strategic Commissioning Plans Guidance sets out the groups of people who should be represented. These groups are:</p> <ul style="list-style-type: none"> <li>• Users of health care;</li> <li>• Carers of users of health care;</li> <li>• Commercial providers of health care;</li> <li>• Non-commercial providers of health care;</li> <li>• Health professionals;</li> <li>• Social care professionals;</li> <li>• Users of social care;</li> <li>• Carers of users of social care;</li> <li>• Commercial providers of social care;</li> <li>• Non-commercial providers of social care;</li> <li>• Non-commercial providers of social housing; and</li> <li>• Third sector bodies carrying out activities related to health or social care.</li> </ul> <p>We found that there were representatives from 10 of the statutory groups, however there were no representation from either commercial providers of health care or social care. We were informed that there had been a representative from both of the commercial groups but the representative left their employment in October 2021 and a new representative has not been appointed since then.</p> <p>There is a risk that the Integration Joint Board fails to comply with legislation and that membership of the Strategic Planning Group does not include representation from all prescribed groups.</p>	<b>Medium</b>	<p><b>2.1 Management should attempt to ensure that all of the prescribed groups are represented on the Strategic Planning Group at all times and in order to meet this requirement attempt to recruit commercial provider representatives from both health and social care.</b></p>
<b>Management response</b>		<b>Responsible officer &amp; target date</b>	
<p><b>Agreed, a recruitment for a commercial representative on the IJB is being developed that will seek a suitable candidate to fulfil this role on the Strategic Planning Group.</b></p>		<p><b>Interim General Manager Strategic Integration</b> <b>September 2023</b></p>	

# 4 Detailed Recommendations

## Annual Performance Report

Objective 4	Finding & Risk 1	Grade	Recommendation
	<p>The Public Bodies (Joint Working)(Scotland) Act 2014 requires that each Integration Authority must prepare an Annual Performance Report which must be published within 4 months of the end of each financial year. During the Covid period this publication period was extended, by the Scottish Government to October each year.</p> <p>The Annual Performance Report describes the progress in delivering the strategic objectives as set out in the Strategic Plan. We found that a report had been prepared for the last 4 years and submitted to the Integration Joint Board, however for 2020/21 and 2021/22 the report submitted for approval was only a draft copy.</p> <p>There is a risk that the final report has not been approved by the Integration Joint Board prior to being published and that not all information within has not been formally approved.</p>	<b>Medium</b>	<b>4.1 Management should ensure that the final version of the Annual Performance Report is subjected to approval by the IJB</b>

Management response	Responsible officer & target date
<b>Agreed, approval of a final draft will be clarified that there is a devolved responsibility to senior managers to arrange the final printed version to be published.</b>	<b>Interim General Manager Strategic Integration</b>  <b>December 2023</b>

## 4 Detailed Recommendations

### Strategic Planning Group Attendance

Objective 4	Finding & Risk 1	Grade	Recommendation
	<p>We sought to confirm that regular meetings of the Strategic Planning Group had been held and that all groups had been represented at these meetings. We were informed that there should have been 5 meetings during 2022 up to the date when the revised plan was approved, but 3 of these meetings were cancelled. From the attendee meetings for the 2 meetings took place we found:</p> <ul style="list-style-type: none"> <li>14/02/22 – 20 representative attended this meeting and only 5 of the statutory groups were represented and only 2 of these were non-council or NHS staff; and</li> <li>06/09/22 – 13 representative attended this meeting and only 2 of the statutory groups were represented and only 1 of these were non-council or NHS staff.</li> </ul> <p>There is a risk that there is not appropriate governance and scrutiny operating over the Strategic Plan as not all groups are being represented in the monitoring of the Strategic Plan.</p>	<b>Medium</b>	<b>4.1 Management need to encourage attendance at the Strategic Planning Group from all of the representatives.</b>

### Management response

### Responsible officer & target date

**Agreed, all members of the Strategic Planning Group will be asked to make every effort to ensure meeting attendance from the already published schedule to ensure best available attendance from external representatives at all meetings to inform discussion.**

**Interim General Manager Strategic Integration  
September 2023**

## 4 Detailed Recommendations

### Publication of Strategic Plan

Objective 5	Finding & Risk 1	Grade	Recommendation
	<p>S35 of the Public Bodies (Joint Working)(Scotland) Act 2014 states that “As soon as practicable after the finalisation of the plan under section 35, an integration authority must publish its strategic plan” and “At the same time as publishing a strategic plan an integration authority must also publish a statement of the action which it took.”</p> <p>We were able to confirm that both documents had been published on the Council’s website.</p> <p>However, we found that the link to the IJB Strategic Plan on the Health and Social Care Scotland website, which is not under the control of the IJB or delivery partners, has a link to the Strategic Plan but this is to the 2019-22 Plan.</p> <p>Copies of the reports are only available online. We were informed that it would only be made available in other formats if this was requested. We did not find any evidence that these methods of communication had been fully consulted on with all stakeholders and user groups to ensure that this met the needs of all.</p> <p>There is a risk that the IJB Strategic Plan is not easily accessible to all user groups and therefore excludes user groups from interaction with the Plan.</p>	<b>Low</b>	<p><b>5.1 Management should ensure that there is clear evidence of consultation through the Strategic Planning Group with all user groups confirming that publication of the Strategic Plan online is the only required format of publication, and ensuring that other formats are easily accessible if required.</b></p> <p><b>5.2 Management should ensure that all online links to the Strategic Plan are updated, including providing links for external bodies to use.</b></p>

### Management response

**Agreed, consideration will be given to identifying alternative formats to allow for wider accessibility and that externally hosted copies of the Strategic Plan are updated with new links for the current plan, although this will be dependent on external parties resource cooperation.**

### Responsible officer & target date

**Interim General Manager Strategic Integration**  
**September 2023**

# A Recommendation Grading/Overall opinion definitions

Recommendation	Definition
<b>High</b>	Recommendations relating to factors fundamental to the success of the control objectives of the system. The weaknesses may give rise to significant financial loss/misstatement or failure of business processes.
<b>Medium</b>	Recommendations which will improve the efficiency and effectiveness of the existing controls.
<b>Low</b>	Recommendations concerning minor issues that are not critical, but which may prevent attainment of best practice and/or operational efficiency.

Levels of Assurance	Definition
<b>Substantial Assurance</b>	A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.
<b>Reasonable Assurance</b>	There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.
<b>Limited Assurance</b>	Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited
<b>No Assurance</b>	Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.

