



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

**TUESDAY 5 DECEMBER 2023  
VIA DIGITAL MEETINGS SYSTEM**

**1**

---

**Committee Members Present:**

Ms E Gordon  
Ms F Ireland (Chair)  
Councillor J Findlay (\*sub)  
Councillor L Jardine  
Mr D Binnie (NV)

**Other IJB Member Attendees:**

Councillor C McFarlane

**Officers Present:**

Mr D Hood  
Mr D King  
Mr D Stainbank  
Ms F Wilson

**Other Attendees:**

Mr J Boyd, Audit Scotland  
Ms R Browne, Audit Scotland

**Clerk:**

Ms F Currie

**Apologies:**

Councillor L Bruce\*

**Declarations of Interest:**

Item 8 – In the interests of transparency, Fiona Ireland advised that she was Co-Chair of a Change Board.

Item 9 – Also in the interests of transparency, Ms Ireland advised members that she was Deputy Director of Nursing and had responsibility for the Complaints function within NHS Lothian.

**1. MINUTES OF THE EAST Lothian IJB AUDIT AND RISK COMMITTEE MEETING OF 19 SEPTEMBER 2023**

The minutes of the East Lothian IJB Audit and Risk Committee meeting held on 19 September 2023 were approved.

**2. MATTERS ARISING FROM THE MINUTES OF 19 SEPTEMBER**

There were no matters arising.

**3. INDEPENDENT AUDITOR'S REVIEW OF THE ANNUAL ACCOUNTS:**

**A. AUDIT SCOTLAND LETTER TO THE COMMITTEE**

**B. IJB 2022/23 DRAFT ANNUAL AUDIT REPORT**

John Boyd presented Audit Scotland's draft annual audit report for 2022/23. He informed members that the report would be published on the Audit Scotland website, once finalised. The report covered the audit of financial statements for 2022/23, along with wider areas of audit focus including financial management and sustainability, vision, leadership and governance, and the use of resources to improve outcomes. He outlined the key aspects of the audit work and confirmed that he intended to offer an unmodified opinion on the financial statements. He said the report highlighted that financial sustainability remained a key risk for the IJB and that inflationary pressures continued to create challenges for the IJB, as the commissioning body for services provided by the partners. He also reported on aspects of governance, financial performance and compliance with best value duties.

In response to a question from the Chair on scenario planning, Fiona Wilson advised that discussions were beginning to take place on future plans and a development session was planned for IJB members in January.

Councillor Jardine asked about balancing best value with scenario planning. David King agreed that best value should form a key part of any future plans and intended to provide further information to the Committee in due course. Ms Wilson also acknowledged the importance of best value and referred to some examples already identified within recent provisioning work.

**Decision**

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

**4. 2022/23 AUDITED ANNUAL ACCOUNTS**

A report was submitted by the Interim Chief Finance Officer presenting the IJB's annual accounts for 2022/23.

Mr King presented the report outlining the process for the preparation, auditing, and review of the accounts in preparation for their approval by the IJB. Mr Boyd advised that an independent auditor's opinion would be included within the annual accounts, once approved and signed.

The Chair noted that the draft accounts had previously been presented to the Committee for consideration. There were no questions from members.

The Chair moved to a roll call vote and the recommendations were approved unanimously.

## **Decision**

The Committee agreed to:

- i. Note the independent auditor's review of the IJB's annual accounts; and
- ii. Recommend the approval of the annual accounts to the IJB.

## **5. AUDIT & RISK COMMITTEE – SKILLS AND KNOWLEDGE ASSESSMENT**

Duncan Stainbank thanked members for returning their skills and knowledge assessment questionnaires. After initial assessment, it appeared that there were four main areas in which members felt that they would like to increase their knowledge. These were: counter fraud; governance (particularly the annual governance statement); best value; and partnerships and collaborations.

He also noted that some members had still to return the CIPFA audit and governance statement assessments and this would be reported to the Committee's March meeting.

Mr Stainbank suggested some actions to address the identified knowledge gaps:

- a briefing session for Committee members on counter fraud, with particular focus on the work of the Counter Fraud Teams within the Council and NHS Lothian;
- review of the annual governance statement which formed part of the annual accounts. He also suggested that this could come forward as a separate report in future years, to allow the Committee to consider it in more detail.
- a private meeting with Committee members and the internal and external auditors which could include discussion around best value; and
- seeking further views from members on what further understanding was required around partnerships and collaborations, e.g., the relationship between the IJB and its partners.

Elizabeth Gordon welcomed the suggested actions. As a member of the Edinburgh IJB's Audit & Risk Committee, she had attended a meeting with internal and external auditors and had found it extremely helpful. She added that she would like a better understanding of the financial decision-making processes within the Council and how these impacted on the IJB. As an NHS Lothian Board member, she had a better understanding of NHS Lothian financial processes.

The Chair noted that the reverse was likely to be true for Council representatives and that further information on NHS Lothian financial decision-making would also be beneficial.

Mr Stainbank suggested that Committee members might find it useful to have more detailed briefings during the budget setting process.

Councillor Findlay said, as a new member of the Committee and the IJB, he would welcome further information on the relationship between the Council and NHS Lothian to get a broader understanding of the issues before focusing on the detail.

Councillor Jardine said she would also welcome further information on all of the areas identified by Mr Stainbank, particularly around relationships, decision making and budget setting.

The Chair suggested that, going forward, a development session should be added to each of the four Committee meetings during 2024. This proposal was welcomed by members and Mr Stainbank agreed to discuss further with Mr King and draw up a plan for the next few meetings.

## **6. IJB RISK REGISTER**

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

Mr King presented the quarterly update report reminding members that only risks rated '12' or above were reported to the Committee. He highlighted the increase in the risk rating for 'financial sustainability' which reflected the huge challenges in the current and future financial years, and that this was the most significant risk to the IJB and to the partners' ability to provide the resources to deliver the Strategic Plan.

The Chair noted that this report had presented the full risk register rather than just the 'high' and 'very high' risks that were usually brought forward.

Ms Gordon asked about risk 5486 – financial resources – and whether the appointment of a new principal accountant had led to improvements in reporting frequency. Ms Wilson advised that while the Council's Finance Team was still in business continuity, monthly reporting had been reinstated and the staff had been extremely helpful in providing information. Mr King agreed, adding that the information was also now being presented in a clearer format.

Councillor Findlay asked about the timescale for action on Care at Home services. Ms Wilson said she would get an update from the Change Board and respond to Councillor Findlay.

In response to a question from the Chair, Ms Wilson confirmed that, despite recent improvements in financial reporting, it was appropriate to hold the financial resources risk at 'very high', to reflect the continuing pressures on the Council and the risk to the IJB.

The Chair noted that the impact of the National Care Service proposals was still enough of an unknown not to merit any change in the rating; similarly, the 'operational resources' risk remained unchanged.

### **Decision**

The Committee:

- i. Noted the risks on the current risk register; and
- ii. Considered that no further risks should be added to the register.

## **7. OPERATIONAL HEALTH & SOCIAL CARE PARTNERSHIP (HSCP) RISK REGISTER**

A report was submitted by the Chief Officer presenting the HSCP's operational risk register.

The Chair noted that the presentation of this risk register was to make members aware of the operational risks associated with the Health & Social Care Partnership.

Mr King presented the risk register for members' information noting that this was their opportunity to see the risks facing the Partnership and consider if any other issues should be included in the register.

Councillor Jardine asked about net zero/sustainability issues and where this would sit within the register. Ms Wilson advised that this issue was considered in the wider consideration of infrastructure and provisioning work and also in relation to the risk of capital funding not coming forward. She acknowledged that it might be worth considering including this within the register as it had implications for a wide range of issues.

### **Decision**

The Committee considered the HSCP risk register and satisfied themselves that there were no operational risks on this register that could become strategic risks to the IJB.

## **8. INTERNAL AUDIT REPORT – CHANGE BOARD GOVERNANCE**

A report was submitted by the Chief Internal Auditor informing the Committee of the recently issued audit report on Change Board Governance.

Mr Stainbank presented the report, noting that it supported the findings of the Structure and Governance Review of Change Boards presented to the Strategic Planning Group in October 2023. The internal report also made 3 recommendations as part of the audit review. He outlined the recommendations and confirmed that these had been accepted by Management.

In response to a comment from the Chair, Mr Stainbank confirmed that the Committee received an annual report updating them the implementation of the recommendations contained in the internal audit reports presented throughout the year. The next annual report would be presented to the Committee in June 2024.

### **Decision**

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

## **9. INTERNAL AUDIT UPDATE OF NHS Lothian 2023/24 Audit Reports**

A report was submitted by the Chief Internal Auditor informing the Committee of the recently issued audit reports relevant to IJB Governance, Internal Control and Risk Management processes submitted to the NHS Lothian Audit & Risk Committee.

Mr Stainbank presented the report which included NHS Lothian internal audit reports of relevance to the Committee and wider IJB. He summarised the findings of the Review of Complaints Handling within NHS Lothian, prepared in August 2023, drawing attention to the findings including an overall assessment of 'limited assurance' and an assessment of 'no assurance' relating to the lack of a feedback loop and that learning from complaints was not shared across the wider organisation where relevant. However, in June 2023, the NHS implemented a new complaints process which has addressed the issues raised in the report and regular reporting is now in place.

The Chair confirmed that a new process was put in place in 2023 but she felt that more work needed to be done around closing the loop.

Ms Gordon expressed concern about the lack of assurance regarding lessons being learned from complaints and asked whether any progress had been made.

Mr Stainbank understood that some progress had been made but that there was further work to be done. The issues of 'no assurance' was one reason why he felt it was appropriate to bring this report to the Committee's attention.

Councillor Findlay asked if complaints from staff and public were dealt with under the same process and whether the assessment of 'no assurance' related to both groups.

Mr Stainbank said his understanding was that this report related predominantly to complaints from patients rather than staff and the assessment of 'no assurance' related to that process. He added that the implementation of all of the recommendations contained in the report would sit operational within the NHS, however, areas where there was an assessment of 'no assurance' may have impacts for IJB.

The Chair agreed that no assurance regarding the feedback loop was a concern. The issue was that no record of the action plan prepared as result of a complaint was held within the system. There may well have been actions taken as a result of a complaint, but these had not been written down and were not currently shared across service areas. Going forward, the requirement to log a written action plan would be assigned to person handling the complaint, and the issue of sharing learning would be dealt with via the development of a shared learning forum for use across all service areas.

The Chair advised that this report related to complaints from patients and/or their family or advocates. Complaints from employees were dealt with under a different process.

The Chair confirmed that there was a robust plan to report back to the NHS Lothian Audit & Risk Committee. It might also be worth bringing an update to this Committee in six months' time on the implementation of the recommendations.

**Decision**

The Committee agreed to note the contents of the audit report and considered any risk management implications.

Signed .....

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

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

**MEETING DATE:** 12 March 2024

**BY:** Interim Chief Finance Officer

**SUBJECT:** Risk Register - update

---

3

## **1 PURPOSE**

1.1 This paper provides an update to the IJB's risk register.

## **2 RECOMMENDATIONS**

2.1 The Committee is asked to:

- i. Note the updates made to the register since the last meeting; 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 IJB's risk register is reviewed on a regular basis along with the HSCP's risk register. The last review meeting took place on 19<sup>th</sup> February 2024.

3.3 The following change was agreed –

3925 – 'Operational Resources may be insufficient to deliver the Strategic Plan'. This has now been raised to 'Very High' reflecting the financial challenges facing both partners (and the IJB) in 2024/25. The future financial challenges were laid out in the Five year financial plan presented to the IJB at its December 2023 meeting and further developed at the workshop of 30/1/24 and revised and considered

further at the IJB meeting of February 2024. The IJB will set its 24/25 budget in March 2024 reflecting on the budget offers from its partners and having had further discussions on the actions required to balance that budget. Some of these actions may impact upon the Strategic Plan and, in any event, the financial pressures on the partners may impact on their ability to deliver even a revised financial plan.

- 3.4 There are now two risks with a rating of 20 (the highest level). These are 3924 – ‘Financial Resources may be insufficient to sustain the Strategic Plan and 3925 – ‘Operational Resources may be insufficient to deliver the Strategic Plan’. As is discussed above and detailed further in the papers to the IJB the financial challenge to the IJB’s partners in 2024/25 and therefore the IJB is now very significant. One of the controls noted against risk 3924 is the fact that the IJB has a general reserve. It is likely that the totality of the IJB’s general reserve will be required to underpin the financial position in 2023/24 leaving the IJB with no general reserve in 2024/25.
- 3.5 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>	David King
<b>DESIGNATION</b>	Interim Chief Finance Officer
<b>CONTACT INFO</b>	David.king4@nhslothian.scot.nhs.uk
<b>DATE</b>	March 2023

### **Appendices**

Extract from the IJB's risk register – High and Very High risks.

## 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)	Risk level (Target)	Risk Owner	Handler	Due date
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.  Commissioned Cap Gemini to access future demand on care at home services.  Closer links with public health to understand our demographics better.	High	Medium	Wilson, Fiona M	Wilson, Fiona M	30/04/2024
5486	East Lothian Council finance department in business continuity	There is a risk that the IJB will have reduced financial support and information from East Lothian Council on its delegated budgets. There is a risk this will impact on the IJBs ability to manage its financial position and deliver its strategic plan.	1 - The Scheme of Integration 2 - IJB CFO in post 3 - ELC review position every 2 weeks 4 - Attendance at Financial Overview 5 - ELC have commissioned for external legal advice due to recruitment challenges	High	Medium	Wilson, Fiona M	Wilson, Fiona M	31/03/2024
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 sub optimal the failure to achievement of 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 post 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.	Very High	High	Wilson, Fiona M	Wilson, Fiona M	31/03/2024
5279	Impact of National Care Service Proposals	The IJB is mindful of the development of the NCS legislation and the impact this may have.		High	High	Wilson, Fiona M	Wilson, Fiona M	31/03/2024
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, Community Pharmacy, 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 IJB on 23/5/19. 11. Financial investment in additional capacity	Very High	Medium	Wilson, Fiona M	Wilson, Fiona M	31/03/2024



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

**MEETING DATE:** 12 March 2024

**BY:** Interim Chief Finance Officer

**SUBJECT:** Proposal to Deliver the Actions Arising from the Committee's Skills and Knowledge Assessment Review

---

4

## **1 PURPOSE**

- 1.1 This paper provides an update to the Committee's discussions arising from its Skills and Knowledge assessment review. The paper proposes four further actions to address the key issues identified at this review.

## **2 RECOMMENDATIONS**

- 2.1 The Committee is asked to agree to the proposals below and the timetabled delivery.

## **3 BACKGROUND**

- 3.1 The four key issues were agreed as follows:

- a. Counterfraud
- b. Governance – specifically the Annual Governance Statement
- c. Best Value
- d. Partnerships and Collaborations

- 3.2 Counterfraud.

Both partners have well developed counter fraud processes. It's proposed that the partners prepare a deliver an appropriate presentation to the Committee at a development session following the September meeting. This presentation would also address the IJB issues within counterfraud.

- 3.3 Governance.

The IJB's annual accounts include an Annual Governance Statement which is prepared by the IJB's Internal Auditor. The IJB's CIA will prepare

a paper for the development session following the March Committee meeting describing the purpose of this statement.

#### 3.4 Best Value.

The IJB has a statutory duty to ensure best value in the delivery of its delegated functions. This Committee received papers regarding Best Value and the IJB in 2019 and 2022 and a review of this and a further paper will be presented to a development session of the Committee following its June meeting.

#### 3.5 Partnerships and Collaborations.

The IJB has a range of partners and collaborators, not only the statutory bodies which delegate, fund and deliver its functions but also a range of other parties in the third sector, staff groups and community groups. It's proposed that a presentation and discussion on the involvement in these relationships be brought to the development session of the Committee following its December meeting.

### **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>	David King
<b>DESIGNATION</b>	Interim Chief Finance Officer
<b>CONTACT INFO</b>	David.king4@nhslothian.scot.nhs.uk
<b>DATE</b>	March 2023

### Appendices

None





# East Lothian Integration Joint Board

5

Annual Audit Plan



 AUDIT SCOTLAND

Prepared for East Lothian Integration Joint Board  
March 2024

---

# Contents

---

Introduction	3
Annual accounts	5
Wider Scope and Best Value	8
Reporting arrangements, timetable, and audit fee	11
Other matters	13

---

# Introduction

---

## Summary of planned audit work

1. John Boyd, has been appointed by the Accounts Commission as external auditor of East Lothian Integration Joint Board (East Lothian IJB) for the period from 2022/23 until 2026/27. The 2023/24 financial year is therefore the second of the five-year audit appointment.
2. This document summarises the work plan for our 2023/24 audit. The main elements of the audit include:
  - an audit of the financial statements and an opinion on whether they give a true and fair view and are free from material misstatement
  - an audit opinion on other statutory information published with the financial statements in 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
  - review of East Lothian IJB's arrangements for preparing and publishing its Annual Performance Report
  - provision of an Independent Auditor's Report expressing my opinions on the different elements of the annual accounts and an Annual Audit Report setting out conclusions on the wide scope areas.

## Respective responsibilities of the auditor and East Lothian IJB

3. The [Code of Audit Practice](#) sets out in detail the respective responsibilities of the auditor and the East Lothian IJB. Key responsibilities are summarised below.

### Auditor responsibilities

4. The responsibilities of the appointed auditor 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.
5. 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 the wider scope arrangements in place at the East Lothian IJB. In doing this, we aim to support improvement and accountability.

### **East Lothian IJB's responsibilities**

**6.** East Lothian IJB is responsible for maintaining adequate accounting records and internal controls, and preparing financial statements for audit that give a true and fair view. They are also required to produce other reports in the annual accounts in accordance with statutory requirements.

**7.** The 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 them to deliver their objectives.

### **Adding Value**

**8.** The audit team aim to add value by: tailoring audit work to the circumstances of the East Lothian IJB and the audit risks identified; being constructive and forward looking; providing independent conclusions; attending meetings of the Audit and Risk Committee; and by recommending and encouraging good practice. In so doing, we will help the East Lothian IJB promote improved standards of governance, better management and decision making, and more effective use of resources.

# Annual accounts

## Introduction

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

**10.** We are required to perform an audit of the financial statements, consider other information within the annual accounts, and express a number of audit opinions in an Independent Auditor's Report in accordance with International Standards on Auditing (ISAs) in the UK, Practice Note 10 from the Public Audit Forum which interprets the ISAs for the public sector, and guidance from Audit Scotland.

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

## Materiality

**12.** 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 the audit to obtain reasonable assurance about 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 2023/24 audit

**13.** 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

### 2023/24 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 East Lothian IJB's operations. For the year ended 31 March 2024, we have set our materiality at 2% of gross expenditure based on the audited financial statements for 2022/23.	£4.300 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,	£3.225 million

this could indicate that further audit procedures are required. Using our professional judgement, we have assessed performance materiality at 75% of planning materiality.

<b>Reporting threshold</b> – 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

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

**15.** 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.

**16.** Based on our risk assessment process, we identified the following significant risk of material misstatement to the financial statements. This is the risk which has the greatest impact on our planned audit procedures. [Exhibit 2](#) summarises the nature of the risk, management’s sources of assurance over the risk, and the further audit procedures we plan to perform to gain assurance over the risk.

### Exhibit 2

#### 2023/24 Significant risk of material misstatement to the financial statements

Significant risk of material misstatement	Management’s 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 ISA (UK) 240, management is in a unique position to perpetrate fraud</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>Assess the design and implementation of controls over journal entry processing.</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> <li>Agreement of balances and transactions to East Lothian Council and NHS Lothian financial reports / ledger / correspondence.</li> <li>Assurances will be obtained from the auditors of East Lothian Council and NHS Lothian over the</li> </ul>

Significant risk of material misstatement	Management's sources of assurance	Planned audit response
because of management's ability to override controls that otherwise appear to be operating effectively.		<p>completeness, accuracy and allocation of income and expenditure.</p> <ul style="list-style-type: none"> <li>• Review of significant adjustments at year-end where we consider there to be greatest risk of material misstatement through management override of controls.</li> <li>• Review of financial monitoring reports during the year.</li> <li>• Assess the adequacy of controls in place for identifying and disclosing related party relationship and transactions in the financial statements</li> <li>• Evaluate any significant unusual transactions outside the normal course of business.</li> </ul>

Source: Audit Scotland

**17.** As set out in ISA (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.

**18.** We have rebutted this risk as East Lothian 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.

**19.** 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.

**20.** We have rebutted this risk as East Lothian IJB does not directly incur expenditure. East Lothian IJB commissions services from its partner bodies (East Lothian Council and NHS Lothian) with all East Lothian 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 East Lothian IJB.

**21.** Assurances over the accuracy and completeness of East Lothian IJB transactions will be obtained from the auditors of East Lothian Council and NHS Lothian. 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

**22.** Reflecting the fact that public money is involved, public audit is planned and undertaken from a wider perspective than in the private sector. The Code of Audit Practice sets out the four areas that frame the wider scope of public sector audit, and requires auditors to consider and conclude on the effectiveness and appropriateness of the arrangements in place for each wider scope area in audited bodies.

**23.** In summary, the four wider scope areas are:

- **Financial management** – this 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** – we will look ahead to consider whether the body is planning effectively to continue to deliver services, also comment on financial sustainability in the medium (two to five years) to longer term (longer than five years).
- **Vision, leadership, and governance** – we conclude on the clarity of plans in place to deliver the vision, strategy, and priorities adopted by the 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 the East Lothian IJB demonstrates economy, efficiency, and effectiveness through the use of financial and other resources.

## Wider scope risks

**24.** We have identified significant risk in the wider scope areas set out in [Exhibit 3](#). This exhibit sets out the risk, management's sources of assurance for the risk, and the further audit procedures we plan to perform to gain assurances over the risk.



**Exhibit 3****2023/24 wider scope risk**

Description of risk	Management's sources of assurance	Planned audit response
<p><b>1. Financial sustainability</b></p> <p>The 23/24 Q3 financial position shows a projected overspend of £4.119 that will be mainly addressed through the use of general reserves.</p> <p>At December 20223 the 2024/25 - 2028/29 Financial Plan showed projected overspends starting at £11.6m and rising to £27.4m over the five years.</p> <p>The Board has identified £4.801m of 'grip &amp; control' efficiencies to bring the 24/25 projected financial gap down to £7,188.</p> <p>The projected overspends are likely to be adversely impacted by the significant financial challenges faced by the IJB's partner bodies, ELC and NHSL.</p> <p>The IJB continues to be faced with significant financial challenges, and difficult decisions will be required.</p>	<ul style="list-style-type: none"> <li>• Regular monitoring and reporting to the Joint Board on the financial position.</li> <li>• Identifying and implementing initiatives including expenditure reductions, savings and revenue generating activities to deliver a financially sustainable operating model</li> <li>• Regular reporting of significant risks to Audit &amp; Risk Committee</li> </ul>	<ul style="list-style-type: none"> <li>• Review financial monitoring reports to assess the financial position, including progress in realising savings by each partner.</li> <li>• Review the controls in place and updates to financial plans to assess the financial sustainability of the IJB.</li> <li>• Communication and engagement with the partner bodies for financial planning.</li> <li>• Review the decision making for financial sustainability by members of the Joint Board</li> <li>• Ensuring resources are aligned to the strategic priorities of the IJB.</li> <li>• Review the Management Commentary in the annual accounts for disclosures on the IJB's financial decision making during 2023/24.</li> </ul>

Source: Audit Scotland

**25.** Our planned work on the wider scope areas is risk based and proportionate, and in addition to local risks, we may be asked by the Accounts Commission to consider specific risk areas which are impacting the public sector as a whole. We have not been asked to consider specific risks for 2023/24 audits, but we will remain cognisant of challenges identified in prior years such as climate change.

## Best Value

**26.** 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 the 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

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

**28.** We will provide:

- an Independent Auditor's Report to the East Lothian IJB and the Accounts Commission setting out our opinions on the annual accounts
- the East Lothian IJB and the Accounts Commission with an Annual Audit Report containing observations and recommendations on significant matters which have arisen during the audit and conclusions on wider scope areas.

**29.** [Exhibit 4](#) outlines the target dates for our audit outputs set by the Accounts Commission. In determining the target reporting date, due regard is paid to the dates for approving the annual accounts set out in regulations of 30 September 2024.

**30.** We will be unable to achieve the target date outlined above. This is due to prioritising the delivery of high-quality audits over meeting target dates as required by the Accounts Commission, and consistent with messaging from the Financial Reporting Council which has made clear that audit quality takes precedence. We are working towards completion of the audit by the later date of 31 October 2024. We will work towards delivering the audit and audit outputs by target dates over the period of the audit appointment.

## Exhibit 4 2023/24 Audit outputs

Audit Output	Target date	Audit and Risk Committee Date
Annual Audit Plan	31/03/2024	12/03/2024
Independent Auditor's Report	31/10/2024	TBC
Annual Audit Report	31/10/2024	TBC

Source: Audit Scotland

**31.** All Annual Audit Plans and the outputs 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).

## Timetable

**32.** 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.

## Audit fee

**33.** In determining the audit fee, we have taken account of the risk exposure of the East Lothian Integration Joint Board and the planned management assurances in place. Fee levels are also impacted by inflation which increases the cost of audit delivery. The agreed audit fee for 2023/24 is £33,360 as set out in [Exhibit 5](#).

## Exhibit 5

### Audit fees (including VAT)

Fee component	Fees (£)
External Auditor Remuneration	35,220
Pooled costs	1,280
Contribution to Audit Scotland costs	0
Contribution to Performance and Best Value	7,520
Sectoral Cap Adjustment	-10,660
<b>Total 2023/24 fee</b>	<b>33,360</b>

Source: Audit Scotland

**34.** In setting the fee for 2023/24, we have assumed that the East Lothian IJB has effective governance arrangements and will prepare a comprehensive and accurate set of annual 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

**35.** It is the responsibility of the East Lothian Integration Joint Board to establish adequate internal audit arrangements.

**36.** While we are not planning to place formal reliance on the work of internal audit in 2023/24, 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

**37.** The audit team are independent of the East Lothian IJB in accordance with relevant ethical requirements, including the Financial Reporting Council's Ethical Standard. This standard imposes stringent rules to ensure the independence and objectivity of auditors.

**38.** Audit Scotland has robust arrangements in place to ensure compliance with Ethical Standard 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.

**39.** The Ethical Standard requires auditors to communicate any relationships that may affect the independence and objectivity of the audit team. We are not aware of any such relationships pertaining to the audit of the East Lothian IJB.

## Audit Quality

**40.** Audit Scotland is committed to the consistent delivery of high-quality public audit. Audit quality requires ongoing attention and improvement to keep pace with external and internal changes. A document explaining the arrangements for providing assurance on the delivery of high-quality audits is available from the [Audit Scotland website](#).

**41.** The International Standards on Quality Management (ISQM) applicable to Audit Scotland for 2023/24 audits are:

- ISQM (UK) 1 which deals with an audit organisation's responsibilities to design, implement and operate a system of quality management (SoQM) for audits. Our SoQM consists of a variety of components, such as: our governance arrangements and culture to support audit quality, compliance with ethical requirements, ensuring we are dedicated to high-quality audit through our engagement performance and resourcing arrangements, and ensuring we have robust quality monitoring arrangements in place. Audit Scotland carries out an annual evaluation of our SoQM and has concluded that we comply with this standard.

- ISQM (UK) 2 which sets out arrangements for conducting engagement quality reviews, which are performed by senior management not involved in the audit to review significant judgements and conclusions reached by the audit team, and the appropriateness of proposed audit opinions of high-risk audit engagements.

**42.** To monitor quality at an individual audit level, Audit Scotland also carries out internal quality reviews of a sample of audits. Additionally, the Institute of Chartered Accountants of England and Wales (ICAEW) carries out independent quality reviews.

**43.** Actions to address deficiencies identified by internal and external quality reviews are included in a rolling Quality Improvement Action Plan which is used to support continuous improvement. Progress with implementing planned actions is regularly monitored by Audit Scotland's Quality and Ethics Committee.

**44.** Audit Scotland may periodically seek your views on the quality of our service provision. The team would also welcome feedback more informally at any time.

# East Lothian Integration Joint Board

## Annual Audit Plan 2023/24

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:** IJB Audit & Risk Committee

**MEETING DATE:** 12 March 2023

**BY:** Chief Internal Auditor

**SUBJECT:** Internal Audit Plan 2024/25

---

6

## **1 PURPOSE**

- 1.1 To inform the Audit and Risk Committee of Internal Audit's operational plan for 2024/25.

## **2 RECOMMENDATIONS**

- 2.1 The Audit and Risk Committee is asked to approve the Audit Plan for 2024/25.

## **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 2024/25 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

Appendix – Internal Audit Plan

<b>AUTHOR'S NAME</b>	Duncan Stainbank
<b>DESIGNATION</b>	Chief Internal Auditor
<b>CONTACT INFO</b>	dstainbank@eastlothian.gov.uk
<b>DATE</b>	4 March 2024

**APPENDIX A****AUDIT PLAN 2024/25**

<b>AUDITABLE AREAS</b>	<b>SCOPE OF THE AUDIT</b>	<b>INTERNAL AUDIT ASSESSED RISK</b>	<b>WEEKS</b>
Financial Recovery Plan Monitoring	Internal Audit will review the processes in place to monitor the achievement of financial recovery plans during the year and development of any further plans for future years as part of the medium-term financial strategy.	High	6
Governance Processes	Internal Audit will review the governance processes in place across the IJB against best practice across the sector.	Medium	6
Participation and Engagement	The NHS Lothian Internal Audit team will review the processes of ensuring participation and engagement with the community and specific stakeholder groups.	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



**REPORT TO:** IJB Audit & Risk Committee  
**MEETING DATE:** 12 March 2024  
**BY:** Chief Internal Auditor  
**SUBJECT:** Internal Audit Report – ELIJB Performance Management

---

7

## **1 PURPOSE**

- 1.1 To inform the Audit and Risk Committee of the recently issued audit report on ELIJB Performance Management.

## **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 Performance Management has been undertaken as part of the Audit Plan for 2023/24.
- 3.2 The main objective of the audit was to review the adequacy and effectiveness of the arrangements in place for Performance Management 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 – ELIJB Performance Management

<b>AUTHOR'S NAME</b>	Duncan Stainbank
<b>DESIGNATION</b>	Chief Internal Auditor
<b>CONTACT INFO</b>	dstainbank@eastlothian.gov.uk
<b>DATE</b>	4 March 2024



East Lothian Integration Joint Board  
IJB Performance Management  
February 2024

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 Definitions	11
Appendix B – Resource, acknowledgements & distribution list	12



# 1 Executive Summary: IJB Performance Management

## Conclusion: Reasonable Assurance

A Draft East Lothian HSCP Performance Framework is in place, outlining performance monitoring and reporting across the ELHSCP. The draft Framework describes the current arrangements in place, provides details of current performance indicators and identifies areas that need to be developed further. There is a need to finalise the Performance Framework and ensure that areas for development are sufficiently progressed. There is currently a broad range of performance indicators in place, in some cases at different stages of maturity and development and being reported to different forums and audiences. There is a risk that there is not yet a complete set of indicators that demonstrate performance against all the IJB's strategic objectives and related strategic delivery priorities as per the IJB Strategic Plan 2022-25, which may then lead to there not being a clear and balanced view of the IJB's performance.

### Background

The East Lothian Integration Joint Board (IJB) Revised Joint Integration Scheme (Version 3, Effective 15 May 2023) states that the IJB is the only forum where health and social care functions for the East Lothian area are governed by members of both NHS Lothian and the Council. Accordingly, the parties agree that the primary responsibility for performance management in respect of the delegated functions will rest with the IJB. The new East Lothian IJB Strategic Plan 2022-25 was approved by the Strategic Planning Group (SPG) on 6 September 2022 and subsequently accepted by the East Lothian IJB at its meeting of 15 September 2022. The new Strategic Plan identifies the IJB's seven strategic objectives for 2022-25, along with a range of related strategic delivery priorities linked to each objective. A 2023-24 Annual Delivery Plan (ADP) is in place which details the key actions in relation to delivery of the strategic objectives. The East Lothian IJB Annual Report for 2022-23 describes performance in planning and carrying out integrated functions from 1 April 2022 to 31 March 2023, which effectively provides a six-month progress report on the delivery of the IJB Strategic Plan 2022-25 since it was published.

### Summary of findings & recommendations

The following key findings and recommendations are highlighted, which have all been **agreed by Management**:

- The draft HSCP Performance Framework in place requires to be finalised. *Management have confirmed that an updated draft will be presented to the SPG in May 2024 for discussion before a final version, incorporating any amendments based on SPG feedback, is presented to the IJB for approval in June 2024.*
- Where areas of development are identified in the Performance Framework, an action plan should be in place outlining the work to be undertaken, together with target timescales. *Management have agreed that the action plan will be further developed, and timescales included by December 2024.*
- The East Lothian IJB Annual Performance Report (APR) should be developed to clearly provide performance information on each of the IJB's strategic objectives and related delivery priorities. *Management have confirmed that performance information included in the 2023-24 APR (to be submitted in July 2024) will be based on the updated version of the Performance Framework to ensure that measures are included for each of the IJB's strategic objectives.*
- Performance indicators that form part of the Annual Delivery Plan (ADP) require to be further developed, to ensure that there is a comprehensive agreed set of indicators covering all the strategic objectives. *Management have confirmed that a core set of indicators will be included in the version of the ADP submitted to the SPG for approval in May 2024 and that additional indicators identified as 'under development' will be reported on once available.*

### Recommendation Summary

Recommendations Grade	High	Medium	Low	Total
Current Report	-	7	-	7
Prior Report	n/a	n/a	n/a	n/a

### Materiality

The East Lothian Integration Joint Board had expenditure of £199.25 million in 2021/22 and annual expenditure of £214.7 million in 2022/23. The East Lothian Integration Joint Board receives approximately two thirds of its funding from NHS Lothian and one third from East Lothian Council.

## 2 Headlines

Objectives	Conclusion	Comments
1. An appropriate governance framework is in place for the development and approval of the IJB performance framework.	Reasonable	A Draft East Lothian HSCP Performance Framework is in place, which requires to be finalised. Consideration should be given as to whether an additional governance structure should be put in place to carry out regular performance review and monitoring.
2. The IJB performance framework is fully developed and clearly sets out how the IJB will measure performance against the Strategic Plan, identify areas where improvements are required and demonstrate to stakeholders the benefits that are being delivered.	Reasonable	The Draft Performance Framework in place outlines performance monitoring and reporting across the ELHSCP. The draft Framework describes the current arrangements in place and identifies areas that require to be developed further. The Draft Performance Framework groups performance management activity into four broad categories (strategic, assurance and accountability, operational and tactical) and provides a detailed outline of each of these levels. For areas of further development identified in the Performance Framework, there is a need for an action plan to be put in place clearly identifying the actions to be taken, who the responsible officer is, target timescales and how this is to be monitored.
3. A core set of indicators and measures have been identified, together with a process for determining appropriate baselines and performance targets for each indicator.	Reasonable	There is currently a broad range of performance indicators in place, in some cases at different stages of maturity and development and being reported to different forums and audiences. There is a need to ensure clarity on where accountability lies for the reviewing and monitoring of the performance indicators that are currently being produced.
4. An Annual Performance Report (APR) is prepared and reported in accordance with legislation and is structured in line with the IJB's strategic objectives and related delivery priorities as per the Strategic Plan, and in support of the Directions issued.	Reasonable	The East Lothian IJB Annual Performance Report (APR) 2022-23 was presented to the IJB meeting of 22 June 2023 and the finalised APR published on 18 August 2023. The APR provides a comprehensive narrative on developments and progress being made by HSCP services in contributing to the delivery the IJB's strategic objectives and related delivery priorities during 2022-23, however there is a need to ensure that performance information is provided for each of the IJB's strategic objectives and related delivery priorities.
5. To enable effective review of key performance and outcomes, there is clear evidence of Senior Officers providing comprehensive commentary on the reported indicators, and the IJB can demonstrate that the preparation, reporting and review of performance information has contributed to measurable improvements in performance and outcomes.	Reasonable	An IJB Strategic Plan – 2023-24 Annual Delivery Plan (ADP) Mid-Year Progress Report was presented to the East Lothian Strategic Planning Group (SPG) on 23 November 2023. The report noted that the ADP details the key actions anticipated in relation to delivery of the strategic objectives and that a set of performance indicators has been developed to support the delivery of the ADP. For some strategic objectives, a good range of indicators have been identified, however in other cases many of the indicators are still in need of development. There is a risk that there is currently not a complete set of indicators that demonstrate performance against all strategic objectives, which may then lead to there not being a clear and balanced view of the IJB's performance.

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

No	Areas of Positive Assurance
1.	<p>The new East Lothian IJB Strategic Plan 2022-25 was approved by the Strategic Planning Group (SPG) on 6 September 2022 and the SPG agreed to recommend it to the East Lothian IJB, who subsequently accepted the Plan at its meeting of 15 September 2022. The new Strategic Plan identifies the IJB's seven strategic objectives for 2022-25, along with a range of strategic delivery priorities linked to each objective. The seven IJB strategic objectives for 2022-25 are:</p> <ol style="list-style-type: none"> <li>1. Develop services that are sustainable and proportionate to need.</li> <li>2. Deliver new models of community provision, working collaboratively with communities.</li> <li>3. Focus on prevention and early intervention.</li> <li>4. Enable people to have more choice and control and provide care closer to home.</li> <li>5. Further develop/embed integrated approaches and services.</li> <li>6. Keep people safe from harm.</li> <li>7. Address health inequalities.</li> </ol>
2.	<p>The Draft East Lothian HSCP Performance Framework in place recognises that effective performance management arrangements are needed to:</p> <ul style="list-style-type: none"> <li>• Support East Lothian IJB in its governance role, ensuring that it has the information needed to maintain oversight and scrutiny of HSCP activity in relation to the delivery of IJB strategic objectives and delivery priorities;</li> <li>• Allow the effectiveness of transformation/change programmes and activities to be evaluated;</li> <li>• Provide accountability and assurance to delivery partners (ELC and NHS Lothian) in relation to the management of HSCP services; and</li> <li>• Inform tactical and operational planning, management and decision making by HSCP management and guide and support improvement activity at a service level.</li> </ul>
3.	<p>The East Lothian IJB Annual Performance Report (APR) for 2022-23 describes performance in planning and carrying out integrated functions from 1 April 2022 to 31 March 2023. The report includes details of performance in relation to the Core Integration Indicators and additional Ministerial Strategic Group Indicators. The content of the APR is structured according to the IJB's strategic objectives and related delivery priorities as identified in the 2022-25 IJB Strategic Plan. This means that the APR effectively provides a six-month progress report on the delivery of the IJB Strategic Plan since it was published.</p>
4.	<p>To enhance review of key performance and outcomes, HSCP managers have identified the need to make indicators currently reported to ELC more reflective of current delivery priorities. In this regard, on 14 December 2023 a report was presented to the ELC Policy and Performance Review Committee (PPRC), detailing proposed HSCP performance indicators for future reporting to PPRC. The proposed indicators cover the areas of activity where ELC functions delegated to the IJB play a key role. It was noted that targets are in place for existing HSCP indicators and will be identified for any new indicators in the next (quarter 3) reporting cycle.</p>

# 4 Detailed Recommendations

Governance Framework			
Objective 1	Findings & Risk 1	Grade	Recommendations
	<p>We sought to ensure that an appropriate governance framework is in place for the development and approval of the IJB performance framework. The East Lothian Integration Joint Board (IJB) Revised Joint Integration Scheme (Version 3, Effective 15 May 2023) states that:</p> <ul style="list-style-type: none"> <li>The IJB is the only forum where health and social care functions for the East Lothian area are governed by members of both NHS Lothian and the Council. Accordingly, the parties agree that the primary responsibility for performance management in respect of the delegated functions will rest with the IJB.</li> <li>The parties will provide performance information so that the IJB can develop a comprehensive performance management system. All local and national outcomes, improvement measures and performance targets (including the Annual Performance Report), which are connected exclusively with the functions delegated by the parties to the IJB under the scheme will become the responsibility of the IJB to deliver.</li> <li>A set of shared principles will be developed and agreed between the parties for targets and measurement based on existing best practice and will be reviewed regularly as required.</li> <li>A core group of senior managers and relevant support staff for each party will continue to review and where necessary revise and further develop the performance framework for the IJB taking account of relevant national guidance. The performance framework will be underpinned by the outcomes and will be further developed on an ongoing basis to drive change and improve effectiveness. The performance framework will be informed by an assessment of current performance arrangements and the development of a set of objectives which the framework will be intended to achieve. The framework will be underpinned by the outcomes and national integration indicators and used by the IJB to drive change and improve effectiveness.</li> </ul> <p>A Draft East Lothian HSCP Performance Framework is in place, which identifies areas for development, including consideration being given as to whether an additional structure is required to carry out regular performance review and monitoring, or whether this role can be carried out within the existing structures (IJB and SPG). We note that some other IJBs have an additional structure in place (e.g. Performance and Delivery Committee) which meets quarterly to consider progress against strategic objectives, progress against national indicators and progress against key operational areas that are strategically important.</p>	<b>Medium</b>	<p><b>1.1 Management should seek to finalise the Draft Performance Framework and present it to the IJB for approval.</b></p> <p><b>1.2 Consideration should be given to an additional Committee being put in place within the IJB governance structure (e.g. Performance and Delivery Committee) to undertake regular review of progress against the IJB's strategic objectives.</b></p>
Management Response		Responsible Officer & Target Date	
<p><b>1.1 Agreed – An updated draft of the Performance Framework will go to the Strategic Planning Group (SPG) in May 2024 for discussion before a final version, incorporating any amendments based on SPG feedback is presented to the IJB for approval. The timescale for presenting to the IJB is dependent on SPG feedback, but the intention would be to present to the June 2024 meeting.</b></p> <p><b>1.2 Agreed – Further discussion is needed in relation to this at a senior management level. Given limits to capacity, it may be that this is included in the remit of an existing structure. Recommendation to be included in report to June 2024 IJB re Performance Framework.</b></p>		<p><b>1.1 Performance &amp; Improvement Manager May 2024 – report to SPG; June 2024 – report to IJB.</b></p> <p><b>1.2 Performance &amp; Improvement Manager June 2024 – report to IJB (full implementation of decision by April 2025).</b></p>	

# 4 Detailed Recommendations

Performance Framework			
Objective 2	Findings & Risk 1	Grade	Recommendation
	<p>We sought to ensure that the IJB performance framework is fully developed and clearly sets out how the IJB will measure performance against the Strategic Plan, identify areas where improvements are required and demonstrate to stakeholders the benefits that are being delivered.</p> <p>A Draft East Lothian HSCP Performance Framework is in place, which outlines performance monitoring and reporting across the ELHSCP. The draft Framework describes the current arrangements in place and identifies areas that need to be developed further. The Draft Performance Framework groups performance management activity into four broad categories (strategic, assurance and accountability, operational and tactical), and provides a detailed outline of each of these levels:</p> <ul style="list-style-type: none"> <li>• The reporting of strategic performance information to the IJB allows monitoring of the delivery of the seven strategic objectives, and the IJB Annual Delivery Plan (ADP) details the activity planned to support delivery of each of the strategic objectives throughout the year. Two areas of development were identified for strategic performance information, including consideration of the role of the SPG in performance monitoring and the provision of a mid-year performance report to the SPG/IJB.</li> <li>• Assurance and accountability covers the reporting of performance information to delivery partners (ELC and NHS Lothian) in respect of the delivery and management of HSCP services. Two areas for development were identified, including the performance information currently being reported to the ELC PPRC, with a view to making this more representative of the range of HSCP activity.</li> <li>• Operational performance information is used by HSCP managers to support short to medium term management of HSCP services. Two areas for development were identified; the development of service plans and whether an additional mechanism is needed for operational oversight across HSCP services.</li> <li>• Tactical covers the use of performance information to help plan the day to day and short-term delivery of HSCP services. One area for development was identified, in respect of the mapping of tactical performance activity to capture details of data and other performance information used.</li> </ul> <p>In some instances, there was clear evidence of progress being made on the areas for development identified, however in other cases work remains outstanding, and there was a lack of detail provided on the actions to be taken, who the responsible officer is, target timescales and how this is to be monitored. There is a risk that performance information may not be effectively produced, monitored and controlled through the governance frameworks if this is not in place.</p>	<p><b>Medium</b></p>	<p><b>2.1 Where areas for further development are identified in the Performance Framework, an action plan should be put in place clearly identifying the actions to be taken, who the responsible officer is, target timescales and how this is to be monitored.</b></p>
Management Response		Responsible Officer & Target Date	
<p><b>2.1 Agreed – An action plan is in place for the further development of the Performance Framework. This will be updated to reflect recommendations from this Audit Report. Delivery of will be the responsibility of the Performance &amp; Improvement Team, with progress monitored by the GM for Planning &amp; Performance. Timescales for actions will be included in the plan.</b></p>		<p><b>2.1 Performance &amp; Improvement Manager December 2024 (with additional target dates for individual actions within the plan).</b></p>	

# 4 Detailed Recommendations

Integration Indicators			
Objective 3	Findings & Risk 1	Grade	Recommendation
	<p>We sought to ensure that a core set of indicators and measures have been identified, together with a process for determining appropriate baselines and performance targets for each indicator. The East Lothian Integration Joint Board (IJB) Revised Joint Integration Scheme (Version 3, Effective 15 May 2023) states that:</p> <ul style="list-style-type: none"> <li>• A core set of indicators and measures will be identified by the parties from publicly accountable and national indicators and targets, which relate to services delivered in carrying out of the functions delegated to the IJB.</li> <li>• An Integration Dataset will be created for the IJB. This will include information on the data gathering, reporting arrangements and accountability for each of these measures and targets. This work will be shared and reviewed by the IJB and amended as appropriate following such review.</li> <li>• The integration indicators will be aligned with the priority areas identified in the joint strategic needs assessment and the Strategic Plan and will be refined as these documents are reviewed and refreshed. The integration indicators will demonstrably evidence the IJB’s endeavours to achieve the outcomes.</li> </ul> <p>We sought to review the performance indicators that are currently being reported on in respect of the functions delegated to the IJB. Appendix 1 of the Draft Performance Framework provides details of current indicators:</p> <ul style="list-style-type: none"> <li>• Group 1 – indicators reported to East Lothian IJB and Strategic Planning Group (19 National Integration Indicators and eight Ministerial Strategic Group Indicators). We are advised that the Integration Dataset refers to these national indicators. Group 1 also includes a set of indicators (Appendix 2) being developed in relation to the IJB Annual Delivery Plan (ADP) and the delivery of each of the IJB’s strategic objectives as outlined in the IJB Strategic Plan 2022-25. Further detail is given in the 2023-24 ADP Mid-Year Progress Report as reported to the SPG in November 2023 (see objective 5 for more detail).</li> <li>• Group 2 – indicators reported to East Lothian Council (14 Key performance indicators, 11 LGBF indicators, 11 service pressure indicators, seven East Lothian Plan (Community Planning) indicators and one East &amp; Mid Public Protection Committee indicator). It is noted that indicators currently reported to ELC are under review, with a view to making these more reflective of current delivery priorities.</li> <li>• Group 3 – indicators reported to NHS Lothian (53 indicators).</li> <li>• Group 4 – indicators reported to the Scottish Government/Public Health Scotland (36 indicators).</li> </ul> <p>There is currently a broad range of performance indicators in place, in many cases at different stages of maturity and development and being reported to different forums and audiences. Some of these indicators are clearly linked to the IJB’s strategic objectives as outlined in the IJB Strategic Plan 2022-25, while other indicators are national indicators not directly linked to the Strategic Plan. There is a risk that there is a lack of clarity on where accountability lies for the reviewing and monitoring of the performance indicators currently being produced.</p>	<b>Medium</b>	<p><b>3.1 Management should ensure that the Performance Framework provides clarity on where accountability lies for the reviewing and monitoring of the performance indicators currently being produced.</b></p>
Management Response		Responsible Officer & Target Date	
<p><b>3.1 Agreed – The draft Performance Framework will be reviewed and amended as necessary to ensure accountability is clearly identified in the final version that is presented to the SPG/IJB (in May/June 2024 respectively).</b></p>		<p><b>3.1 Performance &amp; Improvement Manager May 2024 – report to SPG; June 2024 – report to IJB.</b></p>	

# 4 Detailed Recommendations

Annual Performance Report			
Objective 4	Findings & Risk 1	Grade	Recommendations
	<p>The Public Bodies (Joint Working) (Scotland) Act 2014 requires Integration Joint Boards to publish an Annual Performance Report (APR) covering the period 1 April to 31 March, and IJBs are required to publish an APR by the end of July each year. The East Lothian IJB Annual Performance Report (APR) 2022-23 was presented to the IJB meeting of 22 June 2023 and the IJB were asked to review the report and note that there may be changes to the National Integration Indicators once the final data set is published by Public Health Scotland at the start of July 2023 and that a final version of the APR, incorporating any changes, will be sent to IJB members for information prior to publication at the end of July 2023. The IJB were further advised that the content of the APR is structured according to the IJB strategic objectives and related strategic delivery priorities as identified in the 2022-25 IJB Strategic Plan. This means the APR effectively provides a six-month progress report on the delivery of the IJB Strategic Plan since it was published.</p> <p>The finalised IJB Annual Performance Report (APR) for 2022-23 was published on 18 August 2023 and our review of the report highlighted the following points:</p> <ul style="list-style-type: none"> <li>For each of the seven strategic objectives per the 2022-25 IJB Strategic Plan, the APR provides a comprehensive narrative on developments and progress being made by HSCP services in contributing to the delivery of the IJB’s strategic objectives and related strategic delivery priorities during 2022/23.</li> <li>For five of the seven strategic objectives there is a section “Our Performance in Numbers”, which seeks to provide relevant quantitative details, however this section is not provided for two of the strategic objectives (strategic objective 5 – Further develop/embed integrated approaches and services, and strategic objective 7 – Address health inequalities), and there is a risk that performance in these areas is not being sufficiently measured, monitored or reported on.</li> <li>The APR provides details of 10 operational performance indicators (together with commentary, trend analysis and comparison with Scotland wide figures) and seven Ministerial Strategic Group indicators, however these indicators are not linked to specific strategic objectives or related delivery priorities.</li> </ul> <p>The APR is a comprehensive report, intentionally written in a style to make it as accessible as possible to a non-expert audience and seeking to highlight the developments and progress made that are contributing to meeting the IJB’s strategic objectives, however there is a need to ensure it focuses on all of the IJB’s strategic objectives and related delivery priorities, including those where performance is less good, otherwise there is a risk that the IJB is not fully monitoring performance on a transparent basis.</p>	<p><b>Medium</b></p>	<p><b>4.1 Management should ensure that the East Lothian IJB Annual Performance Report provides performance information on each of the IJB’s strategic objectives and related strategic delivery priorities.</b></p> <p><b>4.2 Management should ensure that the East Lothian IJB Annual Performance Report is published each year by the 31 July deadline.</b></p>
Management Response		Responsible Officer & Target Date	
<p><b>4.1 Agreed – Performance information included in the 2023-24 Annual Performance Report (to be submitted July 2024) will be based on the updated version of the Performance Framework to ensure that measures are included for each of the IJB’s strategic objectives.</b></p> <p><b>4.2 Agreed – as above.</b></p>		<p><b>4.1 Performance &amp; Improvement Manager July 2024</b></p> <p><b>4.2 Performance &amp; Improvement Manager July 2024</b></p>	



# 4 Detailed Recommendations

Review of Performance			
Objective 5	Findings & Risk 1	Grade	Recommendation
	<p>To enable effective review of key performance and outcomes, we sought to ensure that there is clear evidence of Senior Officers providing comprehensive commentary on the reported indicators, and the IJB can demonstrate that the preparation, reporting and review of performance information has contributed to measurable improvements in performance and outcomes.</p> <p>As part of our review, we examined the IJB Strategic Plan – 2023-24 Annual Delivery Plan (ADP) Mid-Year Progress Report which was presented to the East Lothian Strategic Planning Group (SPG) on 23 November 2023. The report noted that the ADP details the key actions anticipated in relation to delivery of the strategic objectives and that a set of performance indicators has been developed to support the delivery of the ADP. It was noted that further development work is needed in relation to some of the indicators.</p> <p>Our review of the 2023-24 Annual Delivery Plan (ADP) Mid-Year Progress Report highlighted that:</p> <ul style="list-style-type: none"> <li>• For each strategic objective, a number of strategic delivery priorities have been identified and the Mid-Year Progress Report provides a detailed narrative of the key actions, lead officer and progress to date for each of the delivery priorities identified;</li> <li>• The set of performance indicators include the National Integration Indicators and Ministerial Strategic Group (MSG) indicators as well as locally developed indicators. For some strategic objectives (e.g. Strategic Objective 1 – Develop services that that are sustainable and proportionate to need, and Strategic Objective 4 – Enable people to have more choice and control and provide care closer to home) a good range of indicators have been identified. In other cases, many of the indicators are still in need of development. This is particularly so for Strategic Objective 5 (Further develop/embed integrated approaches and services), for which four outcomes and six indicators have been identified, but in some instances, data is still to be agreed and the indicators to be developed, and Strategic Objective 7 (Address health inequalities), which is listed as being under development, and for which no outcomes or indicators are listed.</li> </ul> <p>There is a risk that there is currently not a complete set of indicators that demonstrate performance against all IJB strategic objectives, which may then lead to there not being a clear and balanced view of the IJB’s performance.</p>	<b>Medium</b>	<p><b>5.1 Management should seek to further develop performance indicators that form part of the Annual Delivery Plan, to ensure that there is a comprehensive agreed set of indicators covering all strategic priorities.</b></p>
Management Response		Responsible Officer & Target Date	
<p><b>5.1 Agreed – Work underway to develop the 2024-25 Annual Delivery Plan (ADP) will include further discussion of performance indicators related to strategic priorities. It is anticipated that a core set of indicators will be included in the version of the ADP submitted to the SPG for approval. Additional indicators identified as ‘under development’ will be reported on once available.</b></p>		<p><b>5.1 Performance &amp; Improvement Manager May 2024 – report to SPG.</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.

## B Resource, acknowledgements & distribution list

Internal Audit	
Chief Internal Auditor: Duncan Stainbank	Senior Auditor: Stuart Allan

  

Review Dates	Completed By Date
Internal Audit Draft Report Submission	19 February 2024
Management Review Completion	22 February 2024
Final Report Issue	29 February 2024

  

Report Distribution	
Chief Officer East Lothian HSCP	General Manager – Planning and Performance
Head of Operations East Lothian HSCP	Audit Scotland

### Acknowledgements:

The weaknesses identified during the course of our audit have been brought to the attention of Management. The weaknesses outlined are those, which have come to our attention during the course of our normal audit work and are not necessarily all of the weaknesses, which may exist.

Although we include a number of specific recommendations, it is the responsibility of Management to ensure that adequate arrangements are in place for IJB Performance Management.

The content of this report has been discussed with the General Manager – Planning and Performance and the Performance and Improvement Manager to confirm factual accuracy. The assistance and cooperation received during the course of our audit is gratefully acknowledged.



**REPORT TO:** IJB Audit & Risk Committee  
**MEETING DATE:** 12 March 2024  
**BY:** Chief Internal Auditor  
**SUBJECT:** Internal Audit Report – ELIJB Publication Scheme

---

8

## **1 PURPOSE**

- 1.1 To inform the Audit and Risk Committee of the recently issued audit report on the ELIJB Publications Scheme.

## **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 the Publications Scheme has been undertaken as part of the Audit Plan for 2023/24.
- 3.2 The main objective of the audit was to review the adequacy and effectiveness of the arrangements in place for the Publications Scheme within the East Lothian IJB.
- 3.3 The main findings from our audit work are outlined in the attached report which has been graded Limited 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 – ELIJB Publication Scheme

<b>AUTHOR'S NAME</b>	Duncan Stainbank
<b>DESIGNATION</b>	Chief Internal Auditor
<b>CONTACT INFO</b>	dstainbank@eastlothian.gov.uk
<b>DATE</b>	4 March 2024



# East Lothian IJB Publication Scheme March 2024

**Conclusion**

Limited 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	11
Appendix B – Resource, acknowledgements & distribution list	12

# 1 Executive Summary:

## Conclusion: Limited Assurance

The East Lothian IJB has adopted the Model Publication Scheme (MPS) and made a significant amount of information available to view online. Information has in the main been appropriately classified in the MPS and the associated Guide to Information also adheres to the six MPS Principles. The East Lothian IJB MPS has not been updated since 2017 and significant improvement opportunities have been identified relating to the review of the MPS and the information available, alongside a self-assessment exercise and training requirements.

### 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. The Freedom of Information (Scotland) Act 2002 (FOISA) places a duty on Scottish public authorities to publish information proactively. Authorities must have regard to the public interest in the information they hold and make information available so it can be accessed without having to make a request for it under section 1 of FOISA. The duty to publish is in addition to the obligation to respond to requests for information.

In addition, the Environmental Information (Scotland) Regulations (2004) (the EIRs) require authorities to publish environmental information proactively, particularly information they hold in electronic formats.

The Scottish Information Commissioner has developed a Model Publication Scheme (MPS) to support Scottish public authorities to meet their publication scheme duties under both FOISA and the EIRs.

By adopting the MPS, authorities commit to publishing, as a minimum, specified types of information, through their own Guide to Information.

### Summary of findings & recommendations

The following key findings and recommendations are highlighted, which have all been **agreed by the General Manager, Planning and Performance - East Lothian Health and Social Care Partnership, Project Support Manager - East Lothian Health & Social Care Partnership and the Performance & Improvement Manager - East Lothian Community Health Partnership:**

- While it is noted that the Board has a documented MPS and Guide to Information, this is out of date and requires to be reviewed and presented to the Board for approval, before notifying the Scottish Information Commissioner. *Management have agreed to complete this in full by July 2024.*
- While the Board has made a significant amount of information available online, work is required to reestablish links to web pages elsewhere and ensure that information is correctly classified within the MPS. *Management will following review of the MPS reestablish all appropriate links by July 2024.*
- While the MPS has noted that the Board intends to develop records management and retention policies this has not yet been done. Also, there are several documents online that are now out-of-date or superseded. *Management have agreed to develop a records management policy by August 2024.*
- The current MPS has not explicitly stated that information can be made available in alternative formats, in line with the requirements of the Equality Act 2010. It was also noted that telephone contact numbers should be consistent. *Management have agreed to put this in place by May 2024.*
- Current activity and practice has not been assessed using the Scottish Information Commissioners self-assessment checklist. *Management have agreed to complete this assessment and develop an action plan from the assessment by September 2024.*

Recommendations Grade	High	Medium	Low	Total
Current Report	-	4	1	
Prior report	N/A	N/A	N/A	N/A

### 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.

## 2 Headlines

Objectives	Conclusion	Comment
1. The IJB has made a corporate decision to adopt the MPS without amendment, with the Scottish Information Commissioner notified of this	Limited	While the current MPS is dated 29 May 2017, review of Board Papers from around this time could not confirm that the Board had approved/signed-off the ELIJB MPS without amendment. Furthermore, no review of the MPS had been carried out since then. Also, While an East Lothian IJB Model Publications Scheme Notification Form had been completed, this is also dated from 31 May 2017 and contains information that is incomplete or now out-of-date.
2. The IJB has Identified its information that is covered by the MPS and any additional information in which there is a public interest in publication.	Limited	The IJB has identified within the documented MPS the classes of information that is to be held and made available for the public to view. However, this review has noted some observations requiring attention, including re-establishing electronic links to information and the appropriate classification of information.
3. The IJB has produced and published a Guide to Information, ensuring that the arrangements for publication meet the six MPS Principles.	Reasonable	The East Lothian IJB's Guide to Information has been incorporated into its MPS. Review of this against the six MPS Principals has noted that the Guide to Information has not included the provision of information under the Equality Act 2010 and where requests for information in alternative formats may be received, alongside the inclusion of accurate contact information. The required development of a records management and retention policy incorporating a comprehensive review of the information currently available through the IJB website has also been noted.
4. Arrangements are in place to maintain and update the IJB's Guide to Information or in response to any future changes to the MPS. The IJB has completed the Scottish	Reasonable	As the Guide to Information features as part of the Board's MPS, future review and update of the MPS should include the content of the Guide to Information.
5. Information Commissioners Self-assessment Toolkit to capture its publication activity and assess performance against publication standards.	Limited	While most of the Self-assessment Toolkit is centred around responding to Freedom of Information Requests (which are the responsibility of NHS Lothian and East Lothian Council), Module 4 of the Toolkit focuses on helping authorities to meet their duty to actively publish information. the Board has not considered the Module questions and assessed its publication activities to record evidence, strengths and areas for improvement.
6. Training is provided to relevant staff to ensure that the IJB publishes only information that is relevant and appropriate	Limited	A training needs analysis has not been carried out to identify any training requirements required by staff. However, it is noted that the self-assessment exercise includes this and training requirements will be addressed following completion of the self-assessment.



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

No.	Areas of Positive Assurance
1.	The Board has placed a significant amount of information on the HSCP website, including its Strategic Plan, meeting papers, annual accounts, registers of members interests and annual performance reports.
2.	The MPS has clearly stated the classes of information that is available to view, the Board has also through its MPS imposed the six principles which govern the way it makes its information available through the Guide to Information.

## 4 Detailed Recommendations

Documented Model Publication Scheme			
Objective: 1	The IJB has made a corporate decision to adopt the MPS without amendment, with the Scottish Information Commissioner notified of this	Grade	Recommendation
<p>The East Lothian IJB Model Publication Scheme (MPS) was obtained and reviewed. While the current Publication Scheme is dated 29 May 2017, review of Board Papers from around this time could not confirm that the Board had approved/signed-off the ELIJB Publication Scheme without amendment. Furthermore, no review of the MPS had been carried out since then.</p> <p>While an East Lothian IJB Model Publications Scheme Notification Form had been completed, this is also dated from 31 May 2017 and contains information that is incomplete or now out-of-date, for example:</p> <ul style="list-style-type: none"> <li>• The Form has not recorded the website address to the IJB’s Guide to Information</li> <li>• Contact details are included for the Chief Officer in place in 2017, and not the current Chief Officer.</li> <li>• The details recorded of the ELIJB Communication Officer with responsibility for FOI request in the Notification Form are noted as out-of-date.</li> </ul> <p>The documented MPS has also made reference to the South Lanarkshire Integration Joint Board. Most likely the result of using the template of the South Lanarkshire IJB MPS as a guide for the East Lothian IJB.</p> <p>While the current MPS is available through the ELIJB website as follows, It is not accessible through website home page and is instead listed under the ‘IJB Documents’ section.</p> <p>Without an up-to-date publication scheme, there is a risk that the East Lothian IJB cannot be considered to have properly adopted the Commissioner’s MPS and may be failing in its duty to adopt and maintain a publication scheme in line with section 23(1) of FOISA.</p>		<b>Medium</b>	<p><b>1.1 Management should arrange for the review and update of the East Lothian IJB’s Model Publication Scheme. Including a schedule agreed for its ongoing review</b></p> <p><b>Thereafter the MPS should be presented to the Board for approval and notification sent to the Scottish Information Commissioner.</b></p> <p><b>Once done, the Model Publication Scheme should be positioned on the IJB website’s home page.</b></p>
Management response		Responsible officer & target date	
<p><b>1.1 Agreed – A full review and update of the Model Publication Scheme will take place to bring this up to current date and a schedule for annual review included. The MPS will be presented to the IJB for approval, thereafter an updated notification form sent to the Scottish Information Commissioner. The updated MPS will be made available in a prominent place on the IJB web pages of the ELC website.</b></p>		<p><b>General Manager - Planning &amp; Performance</b>  <b>MPS update – May 2024</b>  <b>IJB approval – June 2024</b>  <b>Scottish Information Commissioner notification – July 2024</b>  <b>IJB website publication – July 2024</b></p>	

## 4 Detailed Recommendations

Content of the MPS and access to information			
Objective 2	The IJB has Identified its information that is covered by the MPS and any additional information in which there is a public interest in publication	Grade	Recommendation
	<p>The IJB has identified within the documented MPS the classes of information that is to be held and made available for the public to view. Testing was carried out to review the MPS and compare this against the minimum advised by the Commissioner, alongside confirming that the information is readily available for the public to view. Some observations requiring attention are listed below:</p> <ul style="list-style-type: none"> <li>• The Freedom of Information section of the IJB website includes links to East Lothian Council and NHS Lothian Freedom of Information pages, however NHS Lothian link does not work (page cannot be found).</li> <li>• Under the Governance Section of the IJB website there is a link to the Board’s Integration Scheme. However, clicking on the link takes the viewer to its Freedom of Information page.</li> <li>• The documented MPS has not included the relevant links to the documents /information that is available online, despite the document noting that they are to be accessible via the web.</li> <li>• The documented MPS has made reference to Freedom of Interest under Class 1 (About the authority) and 2 (How it delivers its functions and services).</li> <li>• IJB Meetings are referenced under both Class 1 and 3 (How it takes decisions and what is decided) in the documented MPS.</li> <li>• The IJB’s Financial Plans are not available through its website. Also, the documented MPS makes reference to the Financial Plan 2016/17.</li> <li>• There is no information available through the East Lothian IJB website to advise the public of subject access requests, which are made through either East Lothian Council or NHS Lothian. Despite this being included within the MPS.</li> </ul> <p>There is a risk that reduced accessibility to information will result in the IJB not making as much information available as possible, including access to specific advice and guidance</p>	<b>Medium</b>	<p><b>2.1 The recommended review and update of the MPS should include ensuring that all links included in the IJB website are operational and correct.</b></p> <p><b>Management should also identify the most appropriate classes to assign information to and ensure that this is reflected in the MPS.</b></p> <p><b>Management should ensure that under Class 4 (What they spend and how they spend it), the most up-to-date ELIJB Financial Plan is available.</b></p> <p><b>Clear guidance around the submission of subject access requests should be available through the IJB website.</b></p>
Management response		Responsible officer & target date	
<p><b>2.1 – Agreed. All recommendations will be carried out as part of the review and update to the MPS. This will include a review of external links and broken links, appropriate assignment of information to classes, publication of the most up to date IJB financial plan, and clear instruction on how to make a subject access request for personal information.</b></p>		<p><b>General Manager - Planning &amp; Performance</b>  <b>MPS update – May 2024</b>  <b>IJB Financial Plan – June 2024</b>  <b>Subject Access Request – July 2024</b></p>	

## 4 Detailed Recommendations

Review of Information			
Objective 3	The IJB has produced and published a Guide to Information, ensuring that the arrangements for publication meet the six MPS Principles	Grade	Recommendation
	<p>Information categorised under Class 5 of the MPS is related to how the Board manages its human, physical and information resources. This Class is related also to the 6<sup>th</sup> MPS Principle, which seeks to ensure that the Board has in place a process for reviewing its published information.</p> <p>While the documented MPS has made reference and provided a link to East Lothian Council’s Schedule for the Retention and Destruction of Records, the link to this does not work. Also, there is no similar link included to the NHS Lothian Record Management Policy.</p> <p>Furthermore, The Guide to Information within the documented MPS had noted that ‘it will over the coming months develop records management and retention policies which will be applied to the management of information held by the Board’. However, to date this has not been developed.</p> <p>Also, there is no routine review of the Board’s published information to ensure that superseded, out-of-date or no longer relevant information has been removed. For example, the annual accounts from financial Year 2016/17 to 2022/23</p> <p>There is a risk that without routine review of the Board’s Guide to Information and the information available online that it becomes out-of-date and no longer relevant, or that the volume of information held is confusing to the viewer.</p>	<b>Medium</b>	<p><b>3.1 Management should progress with the development of the IJB’s records management and retention policies. Once done they should be approved by the appropriate Board/Committee and published.</b></p> <p><b>Thereafter a comprehensive review of the information held online by the IJB should be reviewed and indexed. Information that is no longer relevant should be removed.</b></p>
Management response		Responsible officer & target date	
<p><b>3.1 Agreed. Development of the IJB Records Management Policy will be completed and a draft submitted to the IJB for approval, thereafter, links to the ELC and NHSL Schedule / Policy made available through the IJB web pages.</b></p> <p><b>Carry out a review of the information available on the website following approval and information removed that is no longer required. A schedule will be established for routine maintenance of the information available online.</b></p>		<p><b>General Manager - Planning &amp; Performance Records Management policy – August 2024</b></p> <p><b>Senior Communications Advisor Website review – September 2024</b></p>	

## 4 Detailed Recommendations

Accessibility and Contact			
Objective 3	The IJB has produced and published a Guide to Information, ensuring that the arrangements for publication meet the six MPS Principles	Grade	Recommendation
<p>Similar to the Board’s classification of information within the MPS, work was carried out to assess the Board’s Guide to Information, and how this meets all six MPS Principles.</p> <p>Under Principle 1 (Availability and formats). arrangements are in place for people who cannot reasonably access the information online or by inspection at the premises. However, it is noted that the Guide to Information has not included the provision of information under the Equality Act 2010 and where requests for information in alternative formats may be received. Although staff have advised that in these instances the appropriate partner communications teams will be contacted to assist.</p> <p>Also, Principle 5 (Advice and assistance) requires the Board to include contact details for enquiries about any aspect of the MPS or Guide to Information. While the postal and email addresses are correct. There are two different telephone numbers recorded within the Guide/MPS and IJB website. While the guide has included the telephone number 01620 827755, a second number has also been provided through the website (01875 824309). While 01620 number is for the HSCP Communications Team and therefore correct, the 01875 number takes the caller to East Lothian Council’s contact centre.</p> <p>There is a risk that members of the public that require information in alternative formats are unaware this this is available and they are unable to access information.</p> <p>There is also a risk that incorrect contact details may prevent enquiries from reaching the appropriate person or team.</p>		<b>Low</b>	<p><b>3.3 Management should ensure that the Guide to Information contained within the Model Publication Scheme clearly states that information can be provide in alternative formats that comply with the Equality Act 2010.</b></p> <p><b>Staff should also ensure that there is consistency around the contact details recorded within the documented MPS and online.</b></p>

Management response	Responsible officer & target date
<b>4.1 Agreed. All recommendation will be carried out as part of the review and update to the MPS</b>	<b>General Manager - Planning &amp; Performance MPS update – May 2024</b>

## 4 Detailed Recommendations

Self-assessment and Training			
Objective 5	The IJB has completed the Scottish Information Commissioners Self-Assessment Toolkit to capture its publication activity and assess performance against publication standards	Grade	Recommendation
<p>The Scottish Information Commissioners Self-Assessment Toolkit has been developed to help authorities to:</p> <ul style="list-style-type: none"> <li>• Capture current activity and practice.</li> <li>• Assess how well they are performing against a set of standards.</li> <li>• Improve their FOI practices, procedures and administrative arrangements.</li> </ul> <p>While most of the Toolkit is centred around responding to Freedom of Information Requests (which are the responsibility of NHS Lothian and East Lothian Council), Module 4 of the Toolkit focuses on helping authorities to meet their duty to actively publish information. This allows the public to find out easily what information they can access without having to make requests for it. Active publication supports better relationships with stakeholders and demonstrates openness and transparency.</p> <p>However, it is noted from this review that the Board has not considered the Module questions and assessed its publication activities to record evidence, strengths and areas for improvement. This includes identifying any training requirements necessary to ensure that staff are adequately informed of their responsibilities in publishing information that is relevant, easily accessible and complies with the Scottish Information Commissioner's guidance around the publication of information.</p> <p>There is a risk that without proper assessment of the Board's publishing requirements and activities information is either not routinely available that should be, or that staff are unaware of their duties and responsibilities in publishing data.</p>		<b>Medium</b>	<p><b>5.1 Management should complete the Module 4 of the Scottish Information Commissioner's Toolkit (Assessment Questions and Evidence Grid).</b></p> <p><b>Where necessary, an action plan should be developed to address any gaps identified by the assessment.</b></p> <p><b>Any training requirements identified from the exercise should also be taken forward.</b></p>
Management response		Responsible officer & target date	
5.1 Agreed. Module 4 of the Scottish Information Commissioner's Toolkit will be completed, and any action plan developed, including staff training where required.		General Manager - Planning & Performance Toolkit & training– September 2024	

# 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.

## B Resource, acknowledgements & distribution list

Internal audit	
Service Manager, Internal Audit: Duncan Stainbank	Principal Auditor: Russell Richmond-McIntosh
Review Dates	Completed By /Date
Internal Audit Draft Report Submission	30 January 2024
Management Review Completion	28 February 2024
Final Report Issue	4 March 2024
Report distribution	
Audit & Risk Committee	Project Support Manager– East Lothian HSCP
Chief Officer – East Lothian IJB	General Manager, Planning & Performance - East Lothian HSCP
Audit Scotland	Performance & Improvement Manager – East Lothian HSCP

### Acknowledgements.

The weaknesses identified during the course of our audit have been brought to the attention of Management. The weaknesses outlined are those, which have come to our attention during the course of our normal audit work and are not necessarily all of the weaknesses, which may exist.

Although we include a number of specific recommendations, it is the responsibility of Management to determine the extent of the internal control systems appropriate to the East Lothian IJB Publications Scheme.

The content of this report has been discussed with the General Manager, Planning and Performance and Performance & improvement Manager - East Lothian HSCP to confirm factual accuracy. The assistance and cooperation received during the course of our audit is gratefully acknowledged.