



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

**TUESDAY 12 MARCH 2024
VIA DIGITAL MEETINGS SYSTEM**

Committee Members Present:

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

Officers Present:

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

Other Attendees:

Mr J Boyd, Audit Scotland

Clerk:

Ms F Currie

Apologies:

None

Declarations of Interest:

None

1. MINUTES OF THE EAST Lothian IJB Audit and Risk Committee Meeting of 5 December 2023

The minutes of the East Lothian IJB Audit and Risk Committee meeting held on 5 December 2023 were approved.

2. MATTERS ARISING FROM THE MINUTES OF 5 DECEMBER

There were no matters arising.

3. RISK REGISTER UPDATE

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

David King presented the quarterly update report reminding members that only risks rated '12' or above were reported to the Committee. He highlighted recent changes to individual risks.

Mr King and Fiona Wilson responded to questions from members. Mr King provided details of financial assurance measures and commented on the sustainability of the IJB's general reserves. Ms Wilson confirmed that regular financial reporting information was being received from the IJB's partners, but work was still required to identify where the main pressures were in the system. Mr King added that work was being done with the Council's audit team on forecasting to ensure that the financial impact of efficiency savings was being clearly understood. However, the position in relation to regular financial reporting from the Council Finance Team had improved in recent months.

In reply to further question on the use of the Integrated Care fund (within risk 3925), Mr King indicated that this entry likely related to historical actions. He advised that a review of control measures would assess whether actions were still relevant and identify any that required revision.

The Chair noted that a review of control measures was required.

Councillor Findlay stated that perhaps more important was to ensure that measures were being applied fairly to improve access to services across the whole of the county.

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.

4. PROPOSAL TO DELIVER THE ACTIONS ARISING FROM THE COMMITTEE'S SKILLS AND KNOWLEDGE ASSESSMENT REVIEW

A report was submitted by the Interim Chief Finance Officer providing an update to the Committee's discussions arising from its Skills and Knowledge assessment review; and proposing four further actions to address the key issues identified at this review.

Mr King presented the report providing further detail on the four key issues of Counterfraud, Governance, Best Value and Partnerships & Collaborations, and outlined the proposed actions.

Councillor Jardine said she was content with the outcome of the review and the proposed actions.

The Chair moved to a roll call vote and the recommendation was approved unanimously.

Decision

The Committee agreed to the proposals outlined in the report and the timetabled delivery.

5. EAST LOTHIAN IJB ANNUAL AUDIT PLAN 2023/24

John Boyd presented Audit Scotland's annual audit plan for 2023/24 and summarised the planned audit work, responsibilities and wider aspects including Best Value. He also drew attention to the reporting arrangements and timeline contained in the plan.

Mr Boyd responded to questions from members. He explained the reporting threshold for adjusted and unadjusted misstatements which was set at a consistent level for organisations across the public sector in Scotland. He confirmed that the plan would be published on Audit Scotland's website, but the IJB had the opportunity to comment and suggest amendments to the plan prior to this.

The Chair suggested the amendment or removal of a statement contained in the Financial Sustainability section of Exhibit 3 (page 9 of the plan), "The 23/24 Q3 financial position shows a projected overspend of £4.119M that will be mainly addressed through the use of general reserves." The Chair pointed out that the IJB would have to agree to any such use of reserves and so it was not appropriate to include this in the document at this stage.

Mr Boyd said that this reference was likely picked up from an earlier financial report but agreed that it could be removed.

Elizabeth Gordon also pointed to a small error on page 9 in reference to a date which should read 2023.

Mr Boyd responded to further questions on financial assurance and audit fees.

Decision

The Committee agreed to note the contents of the annual audit plan.

6. INTERNAL AUDIT PLAN 2024/25

A report was submitted by the Chief Internal Auditor informing the Committee of Internal Audit's operational plan for 2024/25.

Duncan Stainbank presented the report outlining the background to the preparation of the plan and highlighting the audits scheduled for the coming year. He confirmed that one of these audits would be completed by the NHS Lothian audit team.

The Chair noted that following discussion on the presentation of follow up audits the Committee would in future receive regular updates on progress with completion of actions identified from individual audits.

The Chair moved to a roll call vote and the recommendation was approved unanimously.

Decision

The Committee approved the Internal Audit Plan for 2024/25.

7. INTERNAL AUDIT REPORT – ELIJB PERFORMANCE MANAGEMENT

A report was submitted by the Chief Internal Auditor informing the Committee of the recently issued audit report on ELIJB Performance Management.

Mr Stainbank presented the report advising that the audit work had resulted in an assessment of ‘reasonable assurance’. He drew attention to the areas where controls had been met and those with scope for improvement, and highlighted the actions agreed as a result of the audit work.

Mr Stainbank responded to questions from members on aspects of the audit findings and recommendations.

Decision

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

8. INTERNAL AUDIT REPORT – ELIJB PUBLICATION SCHEME

A report was submitted by the Chief Internal Auditor informing the Committee of the recently issued audit report on the ELIJB Publications Scheme.

Mr Stainbank presented the report advising that the audit work had resulted in an assessment of ‘limited assurance’. He drew attention to the areas where controls had been met and those with scope for improvement, and highlighted the actions agreed as a result of the audit work.

Replying to a question, Ms Wilson confirmed that additional resource within the Communications Team would allow greater oversight of the scheme in future.

The Chair noted that these two audit reports would be the first to be subject to new quarterly updates on the implementation of agreed actions.

Decision

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

Signed

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