

Midlothian Integration Joint Board



Meeting	Date	Time	Venue
Audit and Risk Committee	Thursday 29 June 2022	9.00am	Virtual Meeting held using MS Teams.

Present (voting members):

Cllr Colin Cassidy (Chair)	Carolyn Hirst	Councillor Kelly Parry
Jock Encombe	Pam Russell (Independent Member)	

Present (non-voting members):

Morag Barrow (Chief Officer)	Claire Flanagan (Chief Finance Officer)	Jill Stacey (Chief Internal Auditor)

In attendance:

Grace Scanlin (EY, External Auditor)	Roxanne Watson (Executive Business Manager)	Mike Broadway (Clerk)

Apologies:

Stephen Reid (EY, External Auditor)		

Audit and Risk Committee

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1. Welcome and introductions

The Chair, Councillor Colin Cassidy, welcomed everyone to this virtual meeting of the Audit and Risk Committee, following which there was a round of introductions.

2. Order of Business

The order of business was confirmed as outlined in the Agenda that had been previously circulated.

3. Declarations of interest

No declarations of interest were received at this stage of the proceedings.

4. Minutes of Meeting

4.1 The Minutes of Meeting of the Audit and Risk Committee held on 3 March 2022 was submitted and approved as a correct record.

5. Public Reports

Report Title/Summary	Decision	Action Owner	Date to be Completed/Comments
5.1 Midlothian IJB Internal Audit Annual Assurance Report 2021/22 – Report by Chief Internal Auditor. The purpose of this report was to present the Internal Audit Annual Assurance Report 2021/22 for the Midlothian Integration Joint Board (MIJB) which included the Chief Internal Auditor's independent assurance opinion on the adequacy of the MIJB's overall control environment for the year ended 31 March 2022.	(a) Noted the assurances contained within the Report and that a further report on the recently adopted CIPFA Code would be brought to the September meeting; (b) Agreed that the issue of the flow of information required by MIJB for assurance purposed be taken up with the Partners; and (c) Approve the Midlothian Integration Joint Board Internal Audit Annual Assurance Report 2021/22.	Chief Finance Officer Chief Officer/ Chief Internal Auditor Chief Internal Auditor	September 2022

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Report Title/Summary	Decision	Action Owner	Date to be Completed/Comments
<p>The report explained that the Public Sector Internal Audit Standards (PSIAS) required the MIJB's Chief Internal Auditor to prepare an annual report that incorporated the annual opinion on the adequacy and effectiveness of MIJB's framework of governance, risk management and control, a summary of the work that supports the opinion, and a statement on conformance with the PSIAS.</p> <p>Chief Internal Auditor, Jill Stacey, in presenting the report confirmed that based on their reviews, risk assessments and knowledge, the MIJB's governance arrangements, risk management and systems of internal control were operating satisfactorily, and that the work and opinion of Internal Audit had been used to inform the Chief Officer's Annual Governance Statement 2021/22.</p> <p>The Committee, in considering the Report, discussed the need for clarity regarding the flow of information from Partners to the MIJB on issues such as value for money/following the public pound, governance, risk, performance and internal control matters where they were the responsibilities of one of Partners but relevant to the MIJB for assurance purposes. Consideration was also given to the relevance and application of the recently adopted CIPFA Financial Management Code, 2021/22 in so far as it pertained to the operations of the MIJB.</p>			

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<p>5.2 Midlothian IJB Annual Governance Statement 2021/22 – Report by Chief Internal Auditor.</p> <p>The purpose of this report was to present the draft Annual Governance Statement 2021/22 of the Midlothian Integration Joint Board by the Chief Officer that would be published as part of the Annual Report and Accounts 2021/22.</p> <p>The report explained that the CIPFA/SOLACE Framework ‘Delivering Good Governance in Local Government’ (2016) urged authorities to review the effectiveness of their existing governance arrangements against their Local Code, and prepare an annual governance statement and compliance report. The MIJB had approved a revised Local Code of Corporate Governance, on recommendation from the Audit and Risk Committee, in April 2021.</p> <p>In terms of overall corporate governance it was the Chief Officer’s opinion that, although there are a few areas of work to be completed for full compliance with the Local Code, the overall governance arrangements of the MIJB were operating satisfactorily.</p> <p>Having heard from both the Chief Internal Auditor, Jill Stacey, and Chief Officer, Morag Barrow, who responded to Members’ questions and comments, the Committee discussed the Annual Governance Statement 2021/22.</p>	<p>(a) Agreed that the Annual Governance Statement 2021/22 reflected the risk environment and governance in place to achieve objectives, and acknowledged the actions identified by Management to improve internal controls and governance arrangements; and</p> <p>(b) Agreed that it be published as part of the Annual Report and Accounts 2021/22 of the Midlothian Integration Joint Board.</p>	<p>Chief Finance Officer</p>	<p>30 June 2022</p>

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<p>5.3 MIJB Draft Unaudited Annual Accounts 2021/22 – Report by Chief Finance Officer.</p> <p>The purpose of the report was to present the draft (unaudited) Annual Accounts of the MIJB for the year ending 31 March 2022 for consideration and approval.</p> <p>The report explained that MIJB was required to prepare a set of annual accounts for the financial year 2021/22. A draft of these accounts must be agreed by the MIJB before 30 June whereupon the draft must be published on the MIJB's website and presented to the MIJB's auditors for review.</p> <p>Having heard from Chief Finance Officer, Claire Flanagan, who responded to Members' questions and comments, the Committee discussed the unaudited Annual Accounts. It was felt that the position relating to committed reserves was well explained and that it would be beneficial in assisting understanding of the position regarding these and other related matters.</p>	<p>Agreed to approve the unaudited draft Annual Accounts 2020/21 for publication and submission to the external auditors for audit purposes.</p>	<p>Chief Finance Officer</p>	<p>30 June 2022</p>

6. Private Reports

No private business to be discussed at this meeting.

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7. Any other business

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7.1 Membership The Committee, having noted that this was Jill Stacey's final meeting as Chief Internal Auditor joined the Chair in thanking Jill and in wishing her all the best for the future.	(a) Recorded an expression of thanks to Jill Stacey for her contributions as Chief Internal Auditor; and (b) Noted that the necessary steps were being taken to secure a suitable replacement.		

8. Date of next meeting

The next meeting of the Midlothian Integration Joint Board Audit and Risk Committee would be held on Thursday 1 September 2022 at 2 pm.

(Action: All Members to Note)

The meeting terminated at 9.54 am.