

Midlothian Integration Joint Board



Meeting	Date	Time	Venue
Audit and Risk Committee	Thursday 1 September 2022	2.00pm	Virtual Meeting held using MS Teams.

Present (voting members):

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

Present (non-voting members):

Nick Clater (Head of Adult Services)	Claire Flanagan (Chief Finance Officer)	

In attendance:

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

Apologies:

Morag Barrow (Chief Officer)	Stephen Reid (EY, External Auditor)	Derek Oliver (Chief Officer - Place)
Elaine Greaves (Principal Internal 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 MIJB Audit and Risk Committee.

2. Order of Business

The Order of Business was as detailed in the agenda.

3. Declarations of interest

No declarations of interest were received.

4. Minutes of Meeting

4.1 The Minutes of Meeting of the Audit and Risk Committee held on 29 June 2022 was submitted and approved as a correct record.

4.2 Matters Arising – With regards item 5.1 in the minutes, Jock Encombe suggested that with regards the flow of information from Partners to the MIJB what was required was evidence of progress or failing that details of plans to progress, which was noted and agreed by the Committee.

(Action: Chief Officer/Chief Internal Auditor)

5. Public Reports

Report Title/Summary	Decision	Action Owner	Date to be Completed/Comments
5.1 Annual Audit Report to Members and the Controller of Audit - year ended 31 March 2022 – Report by EY, External Auditors. The purpose of this report was to present the external Annual Audit report to the IJB and the controller of Audit for the year ending 31 March 2022.	Noted the External Auditors report on the MIJB's Annual Accounts		

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<p>In accordance with the Local Government (Scotland) Act 1973, the Accounts Commission appointed EY as the external auditor of Midlothian Integration Joint Board (IJB) for the five year period 2016/17 to 2020/21. As a result of the impact of Covid-19 EY's appointment was extended by a further 12 months to include the financial year 2021/22. This Annual Audit Report was designed to summarise the key findings and conclusions from the audit work. It was addressed to both members of the IJB and the Controller of Audit, and presented to both IJB management and those charged with governance. After consideration by the IJB, this report would be provided to Audit Scotland and published on their website.</p> <p>Grace Scanlin, EY, External Auditors, provided the Committee with an outline of the report highlighting the key messages detailed within the Executive summary which included Financial Management, Financial Sustainability, Governance and Transparency, Value for money and Best Value. An Action Plan summarises specific recommendations included within the Annual Audit Report was set out in Appendix D.</p> <p>The Committee, having heard from Grace, who thereafter responded to Members' questions and comments, discussed the Annual Audit Report 2021/22.</p>			

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With regards the Action Plan, the Committee acknowledged the recommendations made and the management response, welcoming in particular the work being currently being undertaken to develop a standalone longer term financial plan for the IJB and plans to enter into discussion with its Partners to ensure that corporate support arrangements remain adequate and fit for purpose.			
<p>5.2 2021/22 Audited Annual Accounts – Report by Chief Finance Officer.</p> <p>The purpose of this report was to present for the Committee’s consideration and approval the Annual Accounts for financial year 2021/22, which had been reviewed by the IJB’s Independent Auditors.</p> <p>The report explained that as a statutory body, the IJB was required to produce a set of annual accounts at the end of its financial year (31 March). These accounts were then reviewed by the IJB’s external auditors who reported their opinion of the IJB’s Annual Accounts to the IJB’s Audit and Risk Committee. This report having been agreed by the Committee and presuming that there were no outstanding issues, the Committee could then recommend the annual accounts to the IJB. The accounts would then be signed by the Chair of the IJB, the Chief Officer of the IJB and the Chief Finance Officer of the IJB</p> <p>Claire Flanagan, Chief Finance Officer in presenting</p>	Having noted the earlier report of the Independent Auditors, agreed to recommend to the MIJB approval of the 2021/22 Audited Annual Accounts.	Chief Finance Officer	

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the Annual Accounts highlighted the high level points contained within the Accounts and thereafter responding to Members questions and comments.			
<p>5.3 Risk Register – Report by Chief Officer - Place</p> <p>The purpose of this update report was to provide the Audit & Risk Committee with an overview of plans to review the MIJB Strategic Risk Profile so that it focused on the risks associated with ensuring the successful delivery of the MIJB's key objectives, as detailed in the Strategic Plan rather than the operational risk facing the partners.</p> <p>The Committee, having heard from Executive Business Manager, Roxanne Watson, who responded to Members' question and comments, welcomed plans to ensure that the Strategic Risk Profile focused on the IJB. With regards a specific request regarding opportunities for Members of the Committee to view and possibly input into the review process, Roxanne undertook to circulate details to Members directly.</p>	<p>(a) Noted the update; and</p> <p>(b) Welcomed the review of the current Strategic Risk Profile.</p>	Executive Business Manager	
<p>5.4 CIPFA Financial Management Code Self-Assessment – Report by Chief Finance Officer.</p> <p>With reference to paragraph 5.5 of the Minutes of 3 March 2022, there was submitted a report the purpose of which was to consider how the guidance</p>	<p>(a) Noted the self-assessment; and</p> <p>(b) Noted and endorsed the actions for improvement.</p>	Chief Finance Officer	

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<p>in the CIPFA Financial Management Code, 2021/22 pertains to the operations of the IJB and to provide a self-assessment update on the principles in the Code. The report also highlighted that it should be noted that the adoption of this guidance was an element in the assurance processes of the IJB in its delivery of best value.</p> <p>The Committee, having heard from Chief Finance Officer, Claire Flanagan who responded to Members' questions and comments, discussed the summary of the self-assessment against the principles in the Code (those relatable to IJB operations) and the areas highlighted for improvement.</p>			

6. Private Reports

No private business to be discussed at this meeting.

7. Any other business

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<p>7.1 External Auditors, EY</p> <p>The Committee having noted that this would be the final meeting of current External Auditors, EY, joined the Chair in thanking Grace Scanlin and Stephen Reid for their valuable input into the work of the Committee and the MIJB.</p>	Recorded an expression of thanks to Grace Scanlin and Stephen Reid for their contributions to the work of the MIJB Audit and Risk Committee.		

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8. Date of next meeting

The next meeting of the Midlothian Integration Joint Board Audit and Risk Committee would be held on Thursday 2 December 2021 at 2 pm.

(Action: All Members to Note)

The meeting terminated at 3.06 pm.