

# Midlothian Integration Joint Board



Meeting	Date	Time	Venue
Audit and Risk Committee	Thursday 2 September 2021	2.00pm	Virtual Meeting held using MS Teams.

**Present (voting members):**

Cllr Jim Muirhead (Chair)	Carolyn Hirst	Councillor Derek Milligan
Jock Encombe	Pam Russell (Independent Member)	

**Present (non-voting members):**

Morag Barrow (Chief Officer)	David King (Interim Chief Finance Officer)	Jill Stacey (Chief Internal Auditor)

**In attendance:**

Grace Scanlin (EY, External Auditor)	Derek Oliver (Chief Officer - Place)	Mike Broadway (Clerk)

**Apologies:**

Stephen Reid (EY, External Auditor)		

## Audit and Risk Committee

Thursday 2 September 2021

### 1. Welcome and introductions

---

The Chair, Councillor Jim Muirhead, welcomed everyone to this virtual meeting of the MIJB Audit and Risk Committee.

### 2. Order of Business

---

The Order of Business was as detailed below, with Item 5.4 moved to the beginning of the agenda and dealt with as the first item of business.

### 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 10 June 2021 was submitted and approved as a correct record.

4.2 Matters Arising – With regards item 5.4 in the minutes, Chief Internal Auditor, Jill Stacey raised the need for consideration to be given to arrangements for further self-assessment sessions, and suggested offering sessions prior to each Audit and Risk Committee meeting starting from the December meeting, which was agreed by the Committee.

**(Action: All Members to Note)**

### 5. Public Reports

---

Report Title/Summary	Decision	Action Owner	Date to be Completed/Comments
<b>5.4 Risk Register – Report by Chief Officer - Place</b> The purpose of this report was to provide the Audit & Risk Committee with an update on the MIJB Strategic Risk Profile and the actions being taken to identify and manage risk in order to ensure the	(a) Noted the current Strategic Risk Profile; (b) Noted the updates provided on the risk control measures and the progress being made to address all risks; and (c) Confirmed that, otherwise, the risks contained	Chief Officer - Place	Next update report on MIJB Strategic Risk Profile scheduled for December 2021

## Audit and Risk Committee

Thursday 2 September 2021

Report Title/Summary	Decision	Action Owner	Date to be Completed/Comments
<p>successful delivery of the MIJB's key objectives, as detailed in the Strategic Plan. The report also provided the Committee with an overview of the MIJB's operating context taking account of current issues, future risks and opportunities.</p> <p>The Committee, having heard from Derek Oliver, Chief Officer: Place, who responded to Members' question and comments, discussed issues arising from the current strategic risk profile, with particular consideration being given to the most significant issues and risks highlighted in the report. It was acknowledged that whilst in order to assist in understanding the risks and/or opportunities facing the IJB strategically a basic knowledge of the operational risk facing the partners was beneficial, it was important that the Strategic Risk Profile focused on the IJB.</p>	<p>in the Strategic Risk Profile reflected the current risks/opportunities facing the MIJB.</p>		
<p><b>5.1 New CIPFA Financial Management Code 2021/22 &amp; Best Value, Audit Scotland Questionnaire – Update by Interim Chief Finance Officer.</b></p> <p>The purpose of this update was to provide the Committee with details of the new CIPFA Financial Management Code 2021/22 and the Audit Scotland Best Value Questionnaire.</p> <p>The Committee, having heard from Interim Chief Finance Officer, David King who responded to Members' questions and comments, discussed the</p>	<p>(a) Noted the update; and</p> <p>(b) Noted that it was intended to bring a further report on the Audit Scotland Best Value Questionnaire back to the Audit and Risk Committee.</p>	<p>Interim Chief Finance Officer</p>	

## Audit and Risk Committee

Thursday 2 September 2021

Report Title/Summary	Decision	Action Owner	Date to be Completed/Comments
new CIPFA code and in considering the Best Value Questionnaire debated whether it would be useful to invite Audit Scotland to a future meeting to speak about the Questionnaire and Best Value.			
<p><b>5.2 Annual Audit Report to Members and the Controller of Audit - year ended 31 March 2021 – Report by EY, External Auditors.</b></p> <p>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 2021.</p> <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</p>	Noted the External Auditors report on the MIJB's Annual Accounts		

## Audit and Risk Committee

Thursday 2 September 2021

Report Title/Summary	Decision	Action Owner	Date to be Completed/Comments
<p>the key messages detailed within the Executive summary which included Financial Management, Financial Sustainability, Governance and Transparency and Value for money. 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 2020/21.</p> <p>With regards the amber rating for Value for Money the Committee expressed its disappointment that the decision to exercise powers granted by the Coronavirus (Scotland) Act 2020 to delay publication of the Annual Performance Report for 2020/21, appeared to have adversely impacted on this particular rating.</p>			
<p><b>5.3 Audited Annual Accounts 2020/21 – Report by Chief Finance Officer.</b></p> <p>The purpose of this report was to present for the Committee's consideration and approval the Annual Accounts for financial year 2020/21, 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</p>	<p>Agreed, having noted the earlier report of the independent auditors, to recommend to the MIJB approval of the 2020/21 Audited Annual Accounts.</p>	<p>Interim Chief Finance Officer</p>	

## Audit and Risk Committee

Thursday 2 September 2021

Report Title/Summary	Decision	Action Owner	Date to be Completed/Comments
<p>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>David King, Interim Chief Finance Officer presented the Annual Accounts highlighting the high level points contained within the Accounts and thereafter responded to Members questions and comments.</p>			

### 6. Private Reports

---

No private business to be discussed at this meeting.

### 7. Any other business

---

No additional business had been notified to the Chair in advance.

### 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.