

**Title/Subject:** 2015/16 Annual Audit Plan

**Meeting:** Integration Joint Board

**Date:** 24 March 2016

**Submitted By:** Chief Finance Officer

**Action:** For Noting

## **1. INTRODUCTION**

- 1.1 In October 2015, the Accounts Commission approved the appointment of Audit Scotland's Audit Service Group as external auditors to the Falkirk Integration Joint Board. This appointment is for one year only i.e. the 2015/16 financial year.
- 1.2 The attached audit plan summarises the planned audit activity, audit approach and audit issues and risks and the responsibilities of the appointed auditor and Chief Finance Officer / Section 95 Officer of the IJB.

## **2. RECOMMENDATION**

- 2.1 The Integration Joint Board are asked to:
  - Note the 2015/16 Annual Audit Plan
  - Note the planned audit activity, audit approach and audit issues and risks as detailed within the plan; and
  - Note the responsibilities of the appointed auditor and Chief Finance Officer / Section 95 Officer of the IJB as detailed within the plan.

## **3. BACKGROUND**

- 3.1 The responsibilities of independent auditors are established by The Public Bodies (Joint Working) (Scotland) Act 2014, The Local Government (Scotland) Act 1973 and the Code of Audit Practice, and guided by the auditing profession's ethical guidance.
- 3.2 Auditors in the public sector give an independent opinion on the financial statements.

**Resource Implications**

The audit fee for the 2015/16 audit of Falkirk Integration Joint Board is £5,175.

**Impact on IJB Outcomes, Priorities and Outcomes**

None

**Legal & Risk Implications**

Risks are detailed within the Annual Audit Plan

**Consultation**

The Chief Officer and Chief Finance Officer of the Integration Joint Board, Chief Finance Officer of Falkirk Council and Director of Finance of NHS Forth Valley have been consulted on the content of the Annual Audit Plan.

**Equalities Assessment**

No direct impact.

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Approved for Submission by: Chief Finance Officer

**Author** – Ewan C. Murray, Chief Finance Officer

**Date:** 21 March 2016



# Falkirk Integration Joint Board (IJB)

Annual Audit Plan  
2015/16

Prepared for Members of Falkirk IJB

Date: March 2016

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The Accounts Commission is a statutory body which appoints external auditors to Scottish public bodies ([www.audit-scotland.gov.uk/about/ac/](http://www.audit-scotland.gov.uk/about/ac/)). Audit Scotland is a statutory body which provides audit services to the Accounts Commission and the Auditor General ([www.audit-scotland.gov.uk/about/](http://www.audit-scotland.gov.uk/about/)).

The Accounts Commission has appointed Fiona Mitchell Knight as the external auditor of Falkirk for 2015/16.

This report has been prepared for the use of Falkirk Falkirk Integration Joint Board (IJB) and no responsibility to any member or officer in their individual capacity or any third party is accepted.

This report will be published on our website after it has been considered by the joint board.

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# Summary

## Introduction

1. In October 2015, the Accounts Commission approved the appointment of Audit Scotland's Audit Services Group as external auditors to the Falkirk Integration Joint Board (FIJB). Our audit appointment is for one year only i.e. the 2015/16 financial year which coincides with the first accounting period for which the FIJB is required to prepare financial statements. The Accounts Commission will be making a new round of external audit appointments later this year as part of its auditor rotation policy.
2. Our audit is focused on the identification and assessment of the risks of material misstatement in Falkirk Integration Joint Board's financial statements.
3. This report summarises the key challenges and risks facing Falkirk Integration Joint Board (FIJB) and sets out the audit work that we propose to undertake in 2015/16. Our plan reflects:
  - the risks facing Falkirk Integration Joint Board in the period before it becomes fully operational
  - current national risks that are relevant to local circumstances
  - the impact of changing international auditing and accounting standards
  - our responsibilities under the Code of Audit Practice as approved by the Auditor General for Scotland.

## Summary of planned audit activity

4. Our planned work in 2015/16 includes:
  - an audit of the financial statements and provision of an opinion on whether:
    - they give a true and fair view of the state of affairs of Falkirk Integration Joint Board as at 31 March 2016 and its income and expenditure for the year then ended
    - the accounts have been properly prepared in accordance with the Local Government (Scotland) Act 1973 and the 2015/16 Code of Practice on Local Authority Accounting in the United Kingdom (the Code)
  - a review and assessment of Falkirk Integration Joint Board's governance and performance arrangements in a number of key areas including preparations for the FIJB becoming fully operational on 1 April 2016
  - the collection of relevant financial and performance information to inform Audit Scotland's national reports when requested.

# Responsibilities

5. The audit of the financial statements does not relieve management or the relevant committee, as the body charged with governance, of their responsibilities.

## Responsibility of the appointed auditor

6. Our responsibilities, as independent auditor, are established by The Public Bodies (Joint Working) (Scotland) Act 2014, The Local Government (Scotland) Act 1973 and the Code of Audit Practice, and guided by the auditing profession's ethical guidance.
7. Under the Local Government (Scotland) Act 1973, the Accounts Commission is responsible for appointing the external auditors of local government bodies including councils, joint boards and bodies falling within section 106 of the Act. The Public Bodies (Joint Working) (Scotland) Act 2014 specifies that Integration Joint Boards (IJBs) should be treated as if they were bodies falling within section 106 of the 1973 Act.
8. Auditors in the public sector give an independent opinion on the financial statements. We also review and report on the arrangements set in place by the audited body to ensure the proper conduct of its financial affairs and to manage its performance and use of resources. In doing this, we aim to support improvement and accountability.

## Responsibility of the Section 95 Officer

9. It is the responsibility of the Section 95 Officer, as the appointed "proper officer", to prepare the financial statements in accordance with relevant legislation and the Code of Practice on Local Authority Accounting in the United Kingdom (the Code). This means:
  - maintaining proper accounting records
  - preparing financial statements which give a true and fair view of the state of affairs of Falkirk Integration Joint Board as at 31 March 2016 and its expenditure and income for the year then ended.
10. The FIJB recently appointed a Chief Finance Officer (CFO) on an interim basis for the period 29 February 2016 to October 2016. Management have advised us that during this interim period an arrangement will be agreed to fill the role of CFO on a more permanent basis.

## Format of the accounts

11. The financial statements should be prepared in accordance with the Code, which constitutes proper accounting practice.

# Audit Approach

## Our approach

12. Our audit approach is based on an understanding of the characteristics, responsibilities, principal activities, risks and governance arrangements of Falkirk Integration Joint Board. This approach includes:
- understanding the business of Falkirk Integration Joint Board and the risk exposure which could impact on the financial statements
  - identifying major transaction streams, balances and areas of estimation and understanding how Falkirk Integration Joint Board will include these in the financial statements
  - assessing and addressing the risk of material misstatement in the financial statements
  - determining the nature, timing and extent of the audit procedures necessary to provide us with sufficient audit evidence as to whether the financial statements give a true and fair view.
13. We have also considered and documented the sources of assurance which will make best use of our resources and allow us to focus audit testing on higher risk areas during the audit of the financial statements. The main areas of assurance for the audit come from planned management action and reliance on systems of

internal control. Planned management action being relied on for 2015/16 includes:

- comprehensive closedown procedures for the financial statements accompanied by a timetable issued to all relevant staff
  - clear responsibilities for preparation of financial statements and the provision of supporting working papers
  - delivery of unaudited financial statements to agreed timescales with a comprehensive working papers package.
14. Auditing standards require internal and external auditors to work closely together to make best use of available audit resources. Internal audit services are provided by the Internal Audit section of the council and health board. We seek to rely on the work of internal audit wherever possible and as part of our planning process we carry out an early assessment of the internal audit function to determine whether it has sound documentation standards and reporting procedures in place and complies with the main requirements of the Public Sector Internal Audit Standards (PSIAS).
15. The internal audit function will be provided on a rotational basis by the Chief Internal Auditors of NHS Forth Valley and Falkirk Council, with the Chief Internal Auditor of NHS Forth Valley leading the internal audit function for an initial three year period. For 2015/16, we do not plan to place any formal reliance on the work of internal audit due to the low volume and value of transactions.

## Materiality

16. Materiality can be defined as the maximum amount by which auditors believe the financial statements could be misstated and still not be expected to affect the decisions of users of financial statements. A misstatement or omission, which would not normally be regarded as material by amount, may be important for other reasons (for example, the failure to achieve a statutory requirement or, an item contrary to law). In the event of such an item arising, its materiality has to be viewed in a narrower context; such matters would normally fall to be covered in an explanatory paragraph in the independent auditor's report.
17. We consider materiality and its relationship with audit risk when planning the nature, timing and extent of our audit and conducting our audit programme. Specifically with regard to the financial statements, we assess the materiality of uncorrected misstatements both individually and collectively.
18. Based on our knowledge and understanding of Falkirk Integration Joint Board we have set our planning materiality at £1,200 (1.5% of estimated gross expenditure).
19. With a new small body, any errors of £1,200 or more might also be considered material by nature therefore all transactions around this level will be considered for materiality.
20. The audit approach will be amended to take account of the limited amount of transactions and balances contained within the financial statements. For Falkirk Integration Joint Board we will take a substantive approach to the testing of transactions.

## Reporting arrangements

21. The IJB is subject to the audit and accounts provisions of a body under Section 106 of the Local Government (Scotland) Act 1973. The Local Authority Accounts (Scotland) Regulations 2014 require that the unaudited annual accounts are submitted to the appointed external auditor no later than 30 June each year. The board (or a committee whose remit includes audit or governance) is required to consider the unaudited annual accounts at a meeting by 31 August.
22. NHS Forth Valley is required to submit audited accounts by 30 June each year. Financial and non-financial information will be required by a mutually agreed date that allows health boards to meet their statutory obligations. The IJB will need to ensure that arrangements are made to provide and agree this information by the specified date. This information should, as appropriate, include details of balances held at the year-end, transactions in-year and a schedule of other information including assurances needed for the governance statement. Guidance issued by the Scottish Government proposes agreement of in-year transactions and year-end balances with the local authority and health board by April 30.
23. The FIJB must publish the unaudited accounts on their websites and give public notice of the inspection period.
24. The 2014 Local Authority Accounts (Scotland) Regulations require the IJB (or a committee whose remit includes audit or governance) to meet by 30 September to consider whether to approve the audited annual accounts for signature. Immediately after approval, the annual accounts require to be signed and dated by specified



members and officers, and then provided to the auditor. The Controller of Audit requires audit completion and issue of an independent auditor's report (opinion) by 30 September each year.

25. The FIJB is required to publish on its website its signed audited annual accounts, and the audit certificate, by 31 October. The annual audit report is required to be published on the website by 31 December.
26. A proposed timetable for the audit of the 2015/16 financial statements is included at Exhibit 1 below

#### Exhibit 1: Financial statements audit timetable

Key stage	Date
Meetings with officers to clarify expectations of working papers and financial system reports	By 31 March 2016
Agreement of transactions and balances with relevant local authority and health board	By 30 April 2016
Latest submission date of unaudited financial statements with complete working papers package	3 June 2016
Consideration of unaudited financial statements by those charged with governance	3 June 2016
Progress meetings with lead officers on emerging issues	As required throughout the process

Key stage	Date
Latest date for final clearance meeting with Chief Finance Officer	TBC
Agreement of audited unsigned financial statements, and issue of Annual Audit Report	By 30 September 2016
Independent auditor's report signed	By 30 September 2016

27. Matters arising from our audit will be reported through the Annual Audit Report although if a significant issue arises this will be brought to the attention of management. The Annual Audit Report including an action plan, where appropriate, will be issued by 30 September 2016. All annual audit reports produced are published on Audit Scotland's website: [www.audit-scotland.gov.uk](http://www.audit-scotland.gov.uk).
28. We will provide an independent auditor's report to Falkirk Integration Joint Board and the Accounts Commission that the audit of the financial statements has been completed in accordance with applicable statutory requirements.
29. Planned outputs for 2015/16 are summarised at [Appendix 1](#).

#### Quality control

30. International Standard on Quality Control (UK and Ireland) 1 (ISQC1) requires that a system of quality control is established as part of financial audit procedures. This is to provide reasonable assurance that those professional standards and regulatory and legal requirements are being complied with and that the

independent auditor's report or opinion is appropriate in the circumstances. The foundation of our quality framework is our Audit Guide, which incorporates the application of professional auditing, quality and ethical standards and the Code of Audit Practice issued by Audit Scotland and approved by the Accounts Commission. To ensure that we achieve the required quality standards, Audit Scotland conducts peer reviews and internal quality reviews and has been subject to a programme of external reviews by the Institute of Chartered Accountants of Scotland (ICAS).

31. As part of our commitment to quality and continuous improvement, Audit Scotland will periodically seek your views on the quality of our service provision. We do, however, welcome feedback at any time and this may be directed to the engagement lead, Fiona Mitchell Knight.

## Independence and objectivity

32. Auditors appointed by the Accounts Commission must comply with the Code of Audit Practice. When auditing the financial statements, auditors must also comply with professional standards issued by the Auditing Practices Board (APB) and those of the professional accountancy bodies. These standards impose stringent rules to ensure the independence and objectivity of auditors. Audit Scotland has in place robust arrangements to ensure compliance with these standards including an annual "fit and proper" declaration for all members of staff. The arrangements are overseen by the Assistant Auditor General, who serves as Audit Scotland's Ethics Partner.

33. Auditing and ethical standards require the appointed auditor to communicate any relationships that may affect the independence and objectivity of audit staff. We are not aware of any such relationships pertaining to the audit of Falkirk Integration Joint Board.

# Audit issues and risks

## Audit issues and risks

34. Based on our discussions with staff, attendance at Board meetings and a review of supporting information we have identified the following main risk areas for Falkirk Integration Joint Board. We have categorised these risks into financial risks and wider dimension risks. The financial statements issues and risks, which require specific audit testing, are summarised below and detail contained in [Appendix 2](#).

## Financial statement issues and risks

35. **Financial statements** – financial statements are being prepared for the first time in 2015/16. There will be limited transactions as the IJB was only established on 3 October 2015. Moreover, the FIJB does not become fully operational until 1 April 2016 when functions are delegated by NHS Forth Valley and Falkirk Council to the FIJB. Nonetheless FIJB is still required to include a full set of financial statements in line with the 2015/16 Code of Practice on Local Authority Accounting in the United Kingdom. The Code requires that FIJB's financial statement's include amongst other things a management commentary, governance statement, accounting policies and notes.
36. The FIJB is expected to provide financial and non-financial information to NHS Forth Valley (NHSFV) to meet its statutory

reporting obligations. The health board and the IJB have different timetables for certification of their accounts - 30 June for health boards (although NHSFV plan to sign off on 7 June 2016) and 30 September for IJBs. The differing reporting timetables are seen as a low risk in 2015/16 because of the low value and volume of FIJB financial transactions that require to be notified to NHSFV to allow it to close of its accounts on time. Moreover, the estimated value of FIJB transactions is immaterial in the context of NHSFV's accounts. The risk will increase in future years when the FIJB becomes fully operational and it may be more difficult to supply the health board with relevant information on time.

37. **2014 Local Authority Accounts (Scotland) Regulations** – FIJBs accounts are covered by the Local Authority Accounts (Scotland) Regulations 2014. These specify the procedures for the publication and approval of the accounts including the public inspection period. Importantly the regulations specify the timetable for consideration of the accounts by those charged with governance. Presently, it is not clear what arrangements are in place to meet the requirements the 2014 regulations.
38. There is a risk that the FIJB, as a new body, may not have adequate arrangements in place to meet the requirements of the 2014 regulations particularly as the Board's autumn meeting is not due until 7 October whereas the regulations require the accounts to be approved by 30 September 2016.
39. **Management override** – ISA 240 (*The auditor's responsibilities relating to fraud in an audit of financial statements*) requires that

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audit work is planned to consider the risk of fraud, which is presumed to be a significant risk in any audit. ISA 240 states that audit procedures should be responsive to risks related to management override of controls. We will design and perform audit procedures to address these risks within Falkirk IJB

## Wider dimension issues and risks

40. **Strategic plan** – The FIJB received a draft strategic plan for review at its meeting on 5 February 2016. The plan could not be approved at that time because the FIJB budget and savings targets had yet to be agreed. Final consideration and approval of the FIJB was deferred pending the Falkirk Council and NHS Forth Valley (NHSFV) setting their own budgets including the amounts to be devolved to the FIJB. The council agreed its budget on 17 February 2016 but NHSFV has yet to agree a final budget position, as they are still awaiting formal correspondence from Scottish Government confirming its allocation for 2016/17. Also, the health board is waiting guidance from Scottish Government on the national outcomes framework which will inform its budget. A special meeting of FIJB has been convened on 24 March 2016 with the aim of agreeing the FIJB budget. There is a risk that the strategic plan may not be finalised and approved by 1 April 2016. Also, due diligence cannot be completed until the financial elements of the strategic plan are in place.
41. **Governance arrangements** – The FIJB has still to fully develop and approve a number of governance arrangements including financial regulations, scheme of delegation, performance and risk

management arrangements and establishment of sub-committees (e.g. Audit committee). It is important that these are approved and implemented to allow the FIJB to operate effectively when it becomes fully operational on 1 April 2016.

## National performance audit studies

42. Audit Scotland's Performance Audit and Best Value Group undertake a programme of studies on behalf of the Auditor General and Accounts Commission. In line with Audit Scotland's strategy to support improvement through the audit process, we will collect relevant financial and performance information to inform Audit Scotland's national reports.
43. Audit Scotland is planning to issue a series of three reports on health and social care services. The first of these reports – *Health and social care integration* – was published in December 2015. The report highlighted:
- the need to set out clearly how governance arrangements will work in practice
  - that strategic plans do more than set out the local context for reforms. The plans should look to deliver care in different ways, that better meets people's needs and improve outcomes
  - the need to agree budgets for the board. The budgets should cover more than one year to give boards the continuity and certainty they need to develop and implement strategic plans. Boards should be clear about how they will use resources to integrate services and improve outcomes.

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44. Subsequent reports in the series will look at progress after the first year of Integration Joint Boards being established, and their longer-term impact of shifting resources to community-based care.

skills of our audit team are shown in Exhibit 2 overleaf. The core team can rely on other audit staff if required.

## Fees and resources

### Audit fee

45. In determining the audit fee we have taken account of the risk exposure of Falkirk Integration Joint Board and the planned management assurances in place. We have assumed receipt of a complete set of unaudited financial statements and comprehensive working papers package by 3 June 2016.
46. The agreed audit fee for the 2015/16 audit Falkirk Integration Joint Board is £5,175. Our fee covers the costs of planning, delivering and reporting the annual audit including auditors' attendance at the Board.
47. Where our audit cannot proceed as planned through, for example, late receipt of unaudited financial statements, a supplementary fee may be levied.

### Audit team

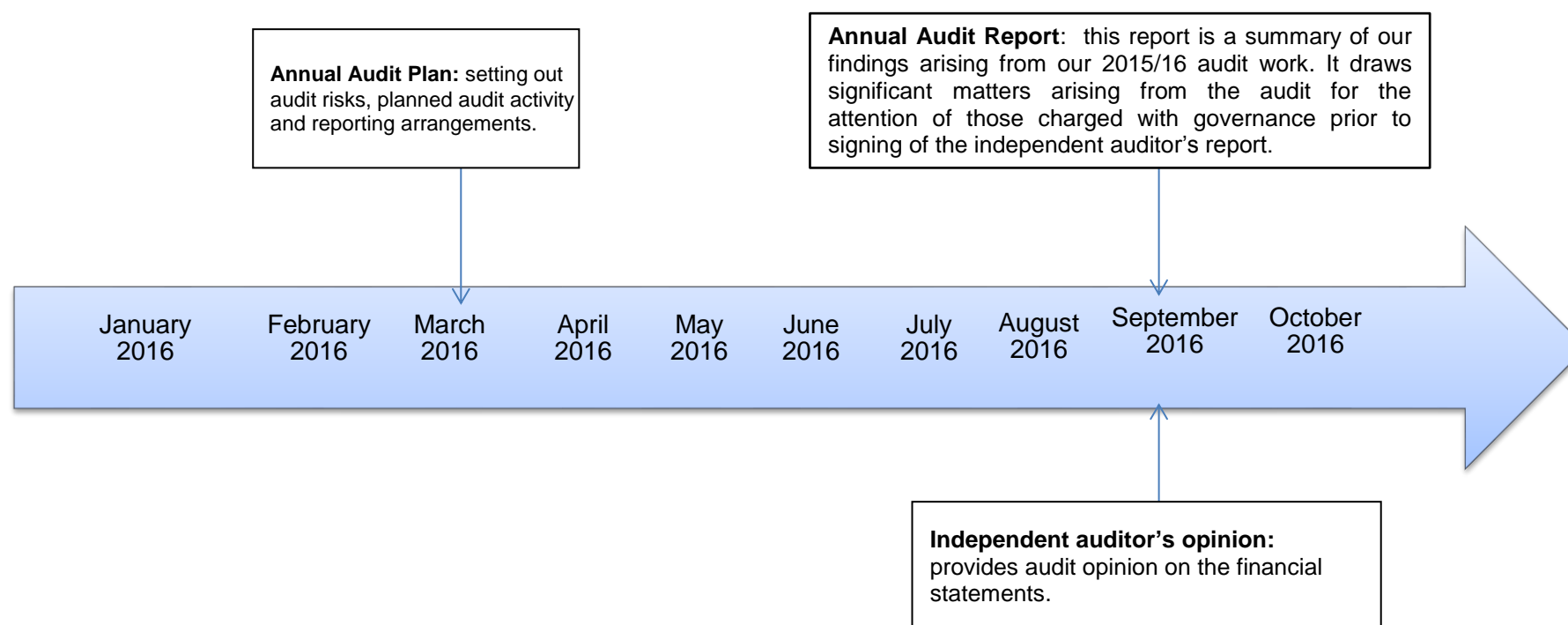
48. Fiona Mitchell Knight, Assistant Director, Audit Services is your appointed auditor. The local audit team will be led by Jim Rundell who will be responsible for the day to day management of the audit and who will be your primary contact. Details of the experience and

**Exhibit 2: Audit team**

Name	Experience
Fiona-Mitchell Knight, BA (Hons), FCA Assistant Director (and certifying auditor)	Fiona took up post as Assistant Director of Audit in August 2007, following 6 years as the Senior Audit Manager for a number of local authority and NHS clients Fiona trained as an auditor in the private sector in England, and has over 20 years' experience of public sector audit with Audit Scotland.
Jim Rundell, MA (Hons), CPFA Senior Audit Manager	Jim has 31 years public sector audit experience mostly in the local government and health areas. He has worked on both the City of Edinburgh Council audit and the NHS Greater Glasgow and Clyde audit. Jim has been a Senior Audit Manager for 19 years. He is also the Audit Services Group's 'risk champion' and recently he updated Audit Scotland's Risk Strategy and Policy Framework.
Toby Freer, MA (Hons), CA Auditor	Toby has worked on a variety of Central Government audits since joining Audit Scotland in October 2012. He recently qualified as a Chartered Accountant.

# Appendix 1: Planned audit outputs

The diagram below shows the key outputs planned for Falkirk Integration Joint Board in 2015/16.



## Appendix 2: Significant audit risks

The table below sets out the key audit risks, the related sources of assurance received and the audit work we propose to undertake to address the risks during our audit work.

#	Audit Risk	Source of assurance	Audit assurance procedure
<b>Financial statement issues and risks</b>			
1	<p><b>Financial statements</b></p> <p>Financial statements are being prepared under the 2015/16 Code of Practice on Local Authority Accounting in the United Kingdom for the first time in 2015/16.</p> <p><b>Risk:</b> the Falkirk Integration Joint Board's 2015/16 financial statements do not fully comply with the requirements of the 2015/16 Code.</p>	<ul style="list-style-type: none"> <li>Chief Finance Officer appointed from 29 February 2016 and will be responsible for preparing the accounts.</li> <li>Accounts will be compiled in accordance with the 2015/16 Code.</li> </ul>	<ul style="list-style-type: none"> <li>Review the FIJB accounts for completeness.</li> <li>Check the FIJB's accounts against the requirements of the 2015/16 Code.</li> </ul>
2	<p><b>2014 Local Authority Accounts (Scotland) Regulations</b></p> <p>The Falkirk Integration Joint Board, as a new body, will be required to comply with the 2014 Accounts Regulations. These deal with the publication and approval of local authority bodies accounts.</p> <p><b>Risk:</b> There is a risk that the FIJB may not have adequate arrangements in place to meet the requirements of the 2014 regulations.</p>	<ul style="list-style-type: none"> <li>Chief Finance Officer will ensure that FIJB complies with the requirements of the 2014 regulations.</li> <li>Chief Officer will request that the FIJB meeting scheduled for 7 October 2016 is brought forward to comply with the 2014 Accounts Regulations timescales.</li> </ul>	<ul style="list-style-type: none"> <li>Review the arrangements for publicising and approving the FIJB accounts</li> <li>Check that the publication and approval of the accounts is in line with 2014 regulations.</li> </ul>



#	Audit Risk	Source of assurance	Audit assurance procedure
3	<p><b>Management override</b></p> <p>ISA 240 requires that audit work is planned to consider the risk of fraud, which is presumed to be a significant risk in any audit. ISA 240 states that audit procedures should be responsive to risks related to management override of controls.</p> <p><b>Risk:</b> This is a standard risk and relates to management manipulation of the position disclosed in the financial statements by overriding controls that would otherwise apply.</p>	<ul style="list-style-type: none"> <li>• Segregation of duties.</li> <li>• Financial regulations and appropriate Scheme of Delegation</li> <li>• Financial monitoring and budgetary control.</li> </ul>	<ul style="list-style-type: none"> <li>• Review financial governance procedures.</li> <li>• Confirm that the external auditor of Falkirk Council and NHS Forth Valley has carried out testing of IJB related transactions to confirm their validity.</li> <li>• Review of any accounting estimates for bias, if applicable.</li> </ul>
<b>Wider dimension issues and risks</b>			
4	<p><b>Strategic Plan</b></p> <p>The Strategic Plan has yet to be finalised and approved pending agreement of the FIJB budget. The health board have raised concerns about uncertainties surrounding the allocation of additional Scottish Government funding for health and social care integration. Also, there is a lack of clarity about the national outcomes framework which will impact on health budgets.</p> <p><b>Risk:</b> - In the absence of an agreed strategic plan, the FIJB may not have sufficient resources to fund its delegated functions going forward.</p>	<ul style="list-style-type: none"> <li>• The chief executives and directors of finance of Falkirk Council and NHS Forth Valley are working in conjunction with the Chief Finance Officer of FIJB to agree a budget.</li> <li>• A special meeting of the FIJB has been arranged for the 24 March 2016 to discuss and approve the Strategic Plan including the budget.</li> <li>• Internal audit are due to report on due diligence work at the meeting on 24 March.</li> </ul>	<ul style="list-style-type: none"> <li>• Review the outcome of the special FIJB meeting on 24 March 2016 and assess its implications.</li> <li>• Consider due diligence work carried out by internal audit.</li> </ul>

#	Audit Risk	Source of assurance	Audit assurance procedure
5	<p><b>Governance arrangements</b></p> <p>Falkirk Integration Joint Board are still to approve many of the arrangements and regulations for FIJB to run effectively when it becomes fully operational on 1 April 2016, such as financial regulations, sub committees, and internal audit arrangements.</p> <p><b>Risk:</b> Effective governance arrangements are not in place to support the operation to the IJB when it becomes fully operational.</p>	<ul style="list-style-type: none"> <li>• Work streams with representatives from partner organisations have been working on the development of governance arrangements.</li> <li>• Draft financial regulations and a Scheme of Delegation have been drafted and await approval.</li> <li>• Draft risk management arrangements awaiting approval.</li> <li>• The FIJB is still discussing what sub-committees are required to support it in its work.</li> <li>• Due diligence work carried out by internal audit.</li> </ul>	<ul style="list-style-type: none"> <li>• Monitor and review governance arrangements for progress and implementation.</li> <li>• Review disclosures in the governance statement, included within the annual accounts, for progress on governance matters.</li> <li>• Consider due diligence work carried out by internal audit.</li> </ul>