

Agenda Item 7

Audit Committee Annual Assurance Statement



Falkirk Integration Joint Board Audit Committee

17 June 2022

Audit Committee Annual Assurance Statement

For Decision

1. Executive Summary

- 1.1 The report presents the Audit Committee's 2021/22 Annual Assurance Statement for approval.

Pending approval by the Audit Committee, the statement will be reported to the IJB as part of the annual governance assurance process.

2. Recommendations

The Audit Committee is asked to:

- 2.1 Approve the 2021/22 Audit Committee Annual Assurance Statement.

3. Background

- 3.1 Annual assurance statements are prepared by all IJB Committees and subgroups as part of the IJB's governance framework. The statements provide assurance to the IJB that the committee structure supports delivery of strategic priorities and ensures that operational and strategic risks are being managed effectively.
- 3.2 Provision of an annual assurance statement complies with the recommendations contained in the Internal Audit report entitled "IJB's Assurance Framework – Governance Mapping, Report No. FK05/19."

4. Audit Committee Annual Assurance Statement

- 4.1 The 2021/22 draft Annual Assurance Statement is attached at Appendix 1 for approval.
- 4.2 The Assurance Statement sets out the attendance, meeting dates and business of the Audit Committee during financial year April 2021 to March 2022. Pending approval, the statement will be presented to the IJB for noting in September.

5. Conclusions

- 5.1 Through the Audit Committee meetings, reports and action plans presented and agreed, output from internal and external audit, together with assurance provided from respective Partners, the Annual Assurance Statement concludes that the Audit Committee has effectively discharged its duties during 2021/22.

Resource Implications

There are no resource implications arising from this report.

Impact on IJB Outcomes and Priorities

Presentation of an annual assurance statement reflects the principles of good corporate governance and contributes to the effective delivery of the IJB's Strategic Plan.

Directions

A new Direction or amendment to an existing Direction is not required as a result of the recommendations of this report.

Legal & Risk Implications

The preparation of an Annual Assurance Statement supports the IJBs risk management framework and ensures compliance with Internal Audit recommendations.

Consultation

This report has involved consultation with key officers in the Council and NHS Forth Valley.

Equalities Assessment

This is not required for the report.

6. Report Author

- 6.1 Jillian Thomson, Chief Finance Officer

7. List of Background Papers

- 7.1 N/a

8. Appendices

Appendix 1: Audit Committee Annual Assurance Statement 21/22

Annual Report of Falkirk Integration Joint Board Audit Committee 2021/22

1. PURPOSE

- 1.1. This report provides annual overview of the work of the Falkirk Integration Joint Board (IJB) Audit Committee. This is in addition to the IJB receiving minutes of all Audit Committee meetings and ensures effective scrutiny of the Committee.

2. BACKGROUND

- 2.1. The Audit Committee is a key element of the governance structure and operates under the delegated authority of the IJB.
- 2.2. The Audit Committee's remit extends beyond traditional financial stewardship and oversight of the audit process and incorporates all aspects of the IJB's system of internal control and overall governance framework.
- 2.3. The specific functions delegated to the Audit Committee by the IJB are outlined below:
- To assess the adequacy and effectiveness of the IJB's internal controls, performance and corporate governance arrangements and consider annual governance reports and assurances to ensure that the highest standards of probity and public accountability are demonstrated.
 - Ensure existence of and compliance with an appropriate Risk Management Strategy. Review risk management arrangements and receive regular risk management updates and reports.
 - Review and approve the Internal Audit Annual Plan on behalf of the IJB, receive reports and oversee and review progress on actions taken on audit recommendations and report to the IJB on these as appropriate. An Internal Audit Annual Assurance Report will be provided to the Committee providing an overall opinion on the IJB's arrangements for risk management, governance and control.
 - Consider the External Audit Annual Plan on behalf of the IJB, receive reports and consider matters arising from these and management actions identified in response before submission to the IJB. The Audit Committee may also consider relevant national audit reports particularly those relating to Health and Social Care Integration from Audit Scotland, inspection agencies or other relevant bodies.

- Approve the annual financial accounts.
 - The Committee is responsible for ensuring best value for those delegated functions.
 - The Committee is authorised by the IJB to investigate any activity within its terms of reference, and in so doing, may seek any information it requires.
- 2.4. The Committee formally provides a copy of its minutes to the IJB a part of its assurance processes and these are publicly available.

3. IJB AUDIT COMMITTEE

3.1. Composition

During the financial year ending 31 March 2022, membership of Audit Committee comprised:

<u>Voting Members:</u>	Mr Gordon Johnstone Cllr Allyson Black* <small>*resigned 7 Sept 2021</small>	Chair Vice Chair
<u>Non-voting Members:</u>	Robert Clark Vacant	NHS Forth Valley TBC

- 3.2. The attendance record for the Audit Committee meetings is attached at Appendix1.

3.3. Meetings

The Committee met virtually on 4 occasions during the period from 1 April 2021 to 31 March 2022.

- 18 June 2021
- 24 September 2021
- 3 December 2021
- 11 March 2022

3.4. Business

The schedule of business is set out in Appendix 2.

4. CONCLUSION

- 4.1. The work of the Audit Committee provides assurance to the IJB in relation to a wide range of governance issues, including risk management and potential internal control weaknesses. This is supported by a risk based internal audit annual work plan, targeted to the highest risk areas to ensure that audit activity is focussed on key areas and is sufficient in order to provide an appropriate level of assurance.
- 4.2. In addition, an audit sharing protocol is in place to ensure that any relevant issues arising in either partner organisation which may impact on the IJB is passed to the Audit Committee for consideration and action as appropriate.
- 4.3. Through the Audit Committee meetings, reports and action plans presented and agreed, output from internal and external audit, together with assurance provided from respective Partners, the Audit Committee has effectively discharged its duties during 2021/22.

Voting Members		18 Jun-21	24-Sep-21	3-Dec-21	11-Mar-22
Gordon Johnston	Chair	P	P	P	P
Allyson Black* *resigned 7 Sept 2021	Vice Chair	P	A	A	A

Non- Voting Members					
Robert Clark	NHS Staff Representative	P	A	A	P
Vacant	TBC	A	A	A	A

Attendance					
Brian Pirie	Democratic Services Manager	P	A	P	P
Grace Scanlin	Ernst & Young, External Audit	P	P	P	P
Isabel Wright	Internal Audit, Risk and Corporate Fraud Manager, Falkirk Council	P	A	P	P
Jack Frawley	Committee Services Officer, Falkirk Council	A	P	A	A
Jillian Thomson	Chief Finance Officer	P	P	P	P
Michelle Campbell	Personal Assistant, FHSCP	A	A	P	A
Patricia Cassidy	Chief Officer	P	A	P	P
Sara Lacey	Chief Social Work Officer	A	P	A	P
Sophie Dick	Democratic Services Graduate	P	A	P	A
Tracey Reilly	Business Management Coordinator, FHSCP	A	P	A	A
David Keenan	HSCP Governance Support Officer	A	A	A	P

Key: P Present
A Apologies

Schedule of Business Considered April 2021 – March 2022

Appendix 2

Date	Title of Business Discussed	Noting / Decision
18 June 2021	Minute of previous meeting 5 March 2021	Decision
	Strategic Risk Register	Consideration /comment
	Internal Audit Annual Assurance Report	Noting
	Unaudited Annual Report and Accounts 2020-21	Decision
	National Audit and Inspection Report Overview	Noting
	Audit Committee Annual Assurance Statement	Decision
24 September 2021	Minute of previous meeting 18 June 2021	Decision
	Falkirk IJB 2020/2021 Audited Annual Accounts	Decision
	Strategic Risk Register	Consideration /Comment
	National Audit and Inspection Report Overview	Consideration /Comment
	Revised Care Home Inspection Process & Reporting Overview	Consideration /Comment
3 December 2021	Minute of previous meeting 24 September 2021	Decision
	Strategic Risk Register	Consideration /Comment
	Internal Audit Progress Report	Noting
	National Audit and Inspection Report Overview	Consideration /Comment
	IJB Audit Committee Programme of Meetings and Workplan 2021	Decision
	Terms of Reference	Decision
	Governance Statement Improvement Actions	Noting
11 March 2022	Minute of previous meeting 3 December 2021	Decision
	Strategic Risk Register	Consideration /Comment
	Internal Audit Progress Report	Noting
	External Audit Plan	Noting
	National Audit Report and Inspection Overview	Consideration /Comment
	Governance Statement Improvement Actions	Noting