



ANGUS HEALTH AND SOCIAL CARE

INTEGRATION JOINT BOARD AUDIT COMMITTEE – 26 APRIL 2023

2021/22 EXTERNAL ANNUAL AUDIT REPORT – PROGRESS UPDATE

REPORT BY ALEXANDER BERRY, CHIEF FINANCE OFFICER

ABSTRACT

To present a report setting out progress towards completion of the External Auditor's 2021/22 Annual Audit Report Action Plan.

1. RECOMMENDATION

It is recommended that the Angus IJB Audit Committee consider and note the attached External Annual Audit Report Action Plan. It is recommended that all these actions are now treated as being complete.

2. BACKGROUND

The September 2022 meeting of the IJB's Audit Committee considered the IJB's External Auditor's 2021/22 Annual Audit report. Within the overall report, there were some specific recommendations made with corresponding actions agreed by the IJB's management. The attached appendix 1 provides an update on the progress with these actions building on previous updates provided to the December 2022 Audit Committee.

While the issues regarding financial sustainability are marked as "complete", this refers to the immediate actions only. The overall issue of ensuring the financial sustainability of the IJB is ultimately unresolved. It is described in separate "Strategic Financial Planning" updates to the IJB in April 2023.

3. PROPOSALS

The Audit Committee requires to consider and note the attached progress report and note it is recommended that all these actions are now treated as being complete.

4. EQUALITY IMPACT ASSESSMENT

An Equality Impact Assessment is not required.

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April 2023

List of Appendices:

Appendix 1 – Annual Audit report – Action Plan Update – April 2023

**ANGUS INTEGRATION JOINT BOARD 2021/22 ANNUAL AUDIT REPORT
ACTION PLAN UPDATE – APRIL 2023**

No.	Issue/risk	Recommendation	Agreed management action/timing	Update
1	<p>Financial Sustainability</p> <p>Despite the level of reserves held at 31 March 2022, Angus IJB is forecasting a recurring funding shortfall in its Strategic Financial Plan. Angus IJB is making good progress in reviewing service delivery models and shifting the balance of care, but more needs to be done to remain financially sustainable. Risk – Angus IJB’s operating model is not financially sustainable</p>	<p>Angus IJB must continue to review service delivery models to support the identification and delivery of recurring savings to ensure financial sustainability.</p>	<p>Angus IJB will continue to progress existing planned interventions.</p> <p>Chief Officer/ Chief Finance Officer December 2022</p>	<p>Complete – The IJB has continued to close out planned interventions. Report 2/23 set out the assumed final position for 2022/23 delivery with residual shortfalls and undelivered plans rolling forward into the next Strategic Financial Plan.</p>
			<p>The IJB accepts the need to further develop plans to close out financial shortfalls and has tasked the Strategic Planning Group with reviewing options to address this by December 2022.</p> <p>Chief Officer/ Chief Finance Officer December 2022</p>	<p>Complete – While the immediate task is complete, the underlying issue remains work in progress with that progress continuing through the work of the Strategic Planning Group. Updates will be brought to the IJB in due course. This is recognised as a significant risk.</p>
2	<p>Workforce and succession planning</p> <p>Recent vacancies in some senior roles have taken considerable time to fill. Staff changes at senior manager level are expected in the near future: succession planning is essential to ensure continuity and to avoid the loss of knowledge and experience. Risk – Angus IJB’s loses key senior management expertise.</p>	<p>Angus IJB should ensure that succession planning, including timely recruitment and handover arrangements, are in place for the anticipated senior manager changes.</p>	<p>Angus IJB recognises this risk and will continue to work with partners towards timely recruitment of senior roles. The IJB will develop and retain a list of significant individual posts where succession planning or recruitment requires to be addressed. This list will be monitored through monthly IJB Executive Management Team meetings to ensure the timeliness of actions and will be shared with partners as required.</p> <p>Head of Service (Workforce Lead) October 2022</p>	<p>Complete - A Recruitment and Retention Working Group was established in October 2022. That group has established a list of Senior roles and roles that may be hard to fill and have discussed this at EMT. This will be reviewed regularly to ensure that we are mitigating these risks with succession planning and early recruitment opportunities.</p>