



AGENDA ITEM NO. 12

REPORT NO. IJB 23/23

ANGUS HEALTH AND SOCIAL CARE
INTEGRATION JOINT BOARD AUDIT COMMITTEE – 26 APRIL 2023
UPDATE TO FINANCIAL REGULATIONS
REPORT BY ALEXANDER BERRY, CHIEF FINANCE OFFICER

ABSTRACT

To present a report setting out an update of the IJB's Financial Regulations for approval by the Audit Committee in advance of submission to the IJB.

1. RECOMMENDATIONS

It is recommended that the Angus Integration Joint Board:-

- (i) Considers the updated IJB Financial Regulations and approves them for submission to the Integration Joint Board;
- (ii) notes that the Financial Regulations will be reviewed by April 2025.

2. BACKGROUND

Angus Integration Joint Board was established on 3 October 2015. At the time, a series of delegated functions and resources were devolved by Angus Council to NHS Tayside. These remain established in the 2022 Integration Scheme.

The IJB's original Financial Regulations were approved in March 2016, in advance of the formal start date for Health and Social Care Integration of 1st April 2016.

As all operational services are delivered through Angus Council and NHS Tayside, so the operational delivery of services and associated financial matters are subject to Angus Council and NHS Tayside Financial Regulations and Standing Financial Instructions.

Consequently, these Financial Angus IJB Regulations relate specifically to the role of the IJB and therefore do not reflect operational issues. These regulations are intended to be consistent with the IJB's Integration Scheme (2022).

The IJB is accountable for the stewardship of public funds and is expected to operate under public sector best practice governance arrangements, proportionate to its responsibilities. Under the Scottish Government Regulations for all IJBs in Scotland, the Chief Officer, supported by the Chief Financial Officer must ensure that there are adequate systems and controls in place for the proper management of its financial affairs. These Financial Regulations detail the responsibilities of the IJB and serving members for the IJB's own financial affairs. The Chief Officer and the Chief Financial Officer and other officers supporting the IJB will follow these Regulations at all times in relation to the conduct of the IJB's own financial affairs.²

3. CURRENT POSITION

This review of the IJB's Financial Regulations has been outstanding for some time. The review has been developed by the Chief Finance Officer reflecting both the Integration Scheme and a more current understanding of the operation of the IJB than existed in 2015.

The main revisions to this version of the financial regulation are as follows: -

- a) Removal of reference to the initial development of Financial Regulations
 - b) Directing more future matters regarding the Financial Regulations to the IJB's Audit Committee.
 - c) Removal of duplication.
 - d) Removal of references to operational issues within Angus Council and NHS Tayside.
 - e) Updated to reflect the latest Integration Scheme and IJB Directions Policy.
 - f) Updates to some of the terminology used.
- The proposed updated Financial Regulations have been shared with the IJB's Internal Auditors and their feedback has been factored into the proposed update. The IJB's Internal Auditors may review the IJB's Financial Regulations as part of future Internal Audits.
 - The Directors of Finance of Angus Council and NHS Tayside have also been made aware of this review.
 - Neighbouring IJB's have also been made aware of this review of Angus IJB financial regulations and Angus IJB will share an update with them after any approvals agreed.
 - From the above, the Audit Committee will be aware that these financial regulations have not been reviewed since 2015. It is intended that this review marks a significant step forward in the development of the Financial Regulations but also that, looking forward, these Financial Regulations will be reviewed more regularly. The next review is now scheduled for January 2025 for completion by April 2025.

The proposed reviewed Financial Regulations are attached at appendix 1. The previous Financial Regulations with tracked changes are attached at appendix 2.

4. PROPOSALS

The Audit Committee are requested to consider the updated IJB Financial Regulations and approve them for submission to the IJB. Further, it is recommended that these Financial Regulations are reviewed by April 2025.

Separately, the IJB are to be asked to devolve responsibility to the Audit Committee for reviewing and approving future updates of the IJB's Financial Regulations. This change may be approved retrospectively taking effect from the April 2023 Audit Committee meeting.

5. EQUALITY IMPACT ASSESSMENT

An Equality Impact Assessment is not required.

REPORT AUTHOR: Alexander Berry, Chief Finance Officer
E-mail details: tay.angushscp@nhs.scot
April 2023

List of Appendices:

Appendix 1 – Proposed Financial Regulations

Appendix 2 – Previous Financial regulations (with tracked changes)