



ANGUS HEALTH AND SOCIAL CARE

INTEGRATION JOINT BOARD AUDIT COMMITTEE – 21 JUNE 2023

INTERNAL AUDIT REPORT – FINANCIAL MANAGEMENT (AN05/23)

REPORT BY ALEXANDER BERRY, CHIEF FINANCE OFFICER

ABSTRACT

To update Audit Committee members on the output of the Internal Audit report regarding Financial Management.

1. RECOMMENDATIONS

It is recommended that the Integration Joint Board Audit Committee:-

- (i) Notes the findings of the output of the Internal Audit into Financial Management; and,
- (ii) Requests that the follow up actions as described in the “Management Responses” are monitored through the regular “Internal Audit- Follow Up” reports to the Audit Committee.

2. BACKGROUND

The 2022/23 Internal Audit plan included a review of the IJB’s Financial Management. This reflected that the IJB continues to hold a strategic risk regarding financial management (albeit chiefly focussed on financial sustainability) and that the management of the IJB’s had not been subject to a specific Internal Audit for a number of years.

3. CURRENT POSITION

The final version of this report was signed off by the Chief Finance Officer and the IJB’s Internal Auditors in June 2023. The overall Audit Opinion of the level of assurance is of “Reasonable Assurance”. i.e. regarding system adequacy “There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.”

In particular the audit covered area associated with financial reporting from the finance systems to budgets holders, financial reporting to the IJB itself and the reporting of the IJB’s “Financial Management” risk (Risk SR03).

The IJB’s Internal Auditors have made 3 recommendations and this report includes respective “Management Responses”.

Resolution of the Action Points will, it is to be anticipated, improve overall assurance

4. PROPOSALS

The Audit Committee are asked to note this report and to request that progress with follow up actions are reported through the Audit Committee.

5. FINANCIAL IMPLICATIONS

There are no direct financial implications of this Internal Audit report.

6. RISK

While the IJB continues to hold a “Financial Management” risk, this audit was not intended to address that risk directly. The IJB’s financial reports also routinely describe in detail the financial risks the IJB is exposed to.

7. OTHER IMPLICATIONS – REPORT DISTRIBUTION

Reflecting previous discussions, assignment covering reports now set out the intended distribution of final Internal Audit reports. This does not affect the Audit Committee feedback.

Internal Audit Report Distribution – AN05/23 Financial Management.

Distributed to	Purpose	By Whom / When
Angus HSCP Executive Management Team	For review and noting.	Partnership Finance Manager – July 2023

8. EQUALITY IMPACT ASSESSMENT

An Equality Impact Assessment is not required.

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June 2023

List of Appendices:

Appendix 1 – Internal Audit report AN05/23 Financial Management