



**ANGUS HEALTH AND SOCIAL CARE**  
**INTEGRATION JOINT BOARD AUDIT COMMITTEE – 24 APRIL 2024**  
**2023/24 EXTERNAL AUDIT ANNUAL AUDIT PLAN**  
**REPORT BY ALEXANDER BERRY, CHIEF FINANCE OFFICER**

**ABSTRACT**

To present a report to Integration Joint Board (IJB) Audit Committee members with information regarding the 2023/24 External Audit Annual Audit Plan.

**1. RECOMMENDATIONS**

It is recommended that the IJB Audit Committee:-

- (i) Considers and notes the attached External Audit Annual Audit Plan;
- (ii) Approves the proposed audit fee of £33,360 and devolve authority for approval of any reasonable supplementary fees to the Chief Finance Officer; and
- (iii) Notes the potential uncertainty about the timing of reporting arrangements and the need for a possible additional or re-arranged Audit Committee meeting to deal with the reviewing the final accounts and External Audit outputs and notes potential holding dates.

**2. BACKGROUND**

**2.1 Requirement to produce a formal set of Financial Accounts for 2023/24.**

As IJB Audit Committee members will be aware, Angus IJB is required to produce a set of Financial Accounts. These will be produced in accordance with any updated guidance from Integrated Resources Advisory Group (IRAG) and The Local Authority Scotland Accounts Advisory Group (LASAAC).

In line with the guidance, Angus IJB's annual accounts will be produced in a manner consistent with Local Authority accounting requirements, and in compliance with The Code of Practice on Accounting for Local Authorities in the United Kingdom.

**2.2 External Audit Arrangements**

As the IJB's accounts are being produced in accordance with Local Authority accounting principles, so the national position has been determined that the External Audit of the IJB's accounts will be undertaken by the relevant Local Authority's existing External Auditor.

The Accounts Commission is the statutory body which appoints external auditors to Scottish Local Government bodies. Audit appointments are generally for a 5-year period. The current 5-year term runs from 2022/23 to 2026/27 with a new Audit Scotland team in place from last year following the appointment of Audit Scotland as the auditors for both Angus Council and Angus IJB. Audit Scotland is a statutory body which provides audit services to the Accounts

Commission and the Auditor General. As can be seen from the attached, the members of the team working in Angus is the same as in 2022/23.

The Chief Finance Officer will have regular discussion with the External Audit team to discuss the planning, production, and audit of 2023/24 annual accounts. This will build on the output of the 2022/23 Annual Audit Report and learning from last year's audit processes.

There is an annual audit fee associated with the work of Audit Scotland. Several factors are considered by Audit Scotland in deriving this fee including the nature of the current audit market and the rising costs associated with delivering high quality audit work. There are increased regulatory expectations and risks placed on audit as well as a widening in the scope of work audit must cover. The increase in fees compared to 2022/23 has already been subject of some national correspondence.

The proposed fee for 2023/24 is £33,360 (2022/23 - £31,470, increase of 6.00%) and, noting the above, it is recommended that the IJB Audit Committee approves this fee. It is further recommended the IJB Audit Committee devolves authority for approval of any reasonable supplementary fees to the Chief Finance Officer.

### 2.3 External Audit Plan – 2023/24

Angus IJB's External Auditor have now produced an Annual Audit Plan for 2023/24. This is attached at Appendix 1 for consideration and noting.

In March 2024, and in advance of confirming organisational External Audit plans, Audit Scotland issued a letter to all its clients setting out information regarding audit timelines reflecting on recent post-pandemic performance, challenges with capacity in public sector organisations and in audit teams and setting out targets for returning to pre-pandemic timelines – including launching an audit modernisation programme.

While locally our Audit team and the IJB finance team delivered 2022/23 Annual accounts sign-off early compared to many organisations, for 2023/24, our auditors have highlighted there are risks regarding audit timelines for 2023/24 and this can be seen from point #35 in the attached. We will work closely with our Audit team to conclude our annual accounts team as smoothly and on as timely basis as practical.

From an Audit Committee perspective, timescales for submission of unaudited accounts remain consistent with previous years. and are as set out in exhibit 4 in the attached Annual Audit Plan. To meet these timescales, the Audit Committee will require to approve the unaudited accounts on the 26 June 2024. The Audit Committee would then routinely be scheduled to meet at the end of August 2024. However, this may be too early to consider audited accounts and the Committee should note the need for a possible additional or re-arranged meeting to deal with the reviewing of the final accounts and External Audit outputs.

It is proposed to place "holding" dates in the Audit Committee diaries being:-

- 1) 2 October 2024 and,
- 2) 30 October 2024. Note – this is already a date of an IJB Audit Committee Development Session, which would then need to be re-scheduled or combined in diaries with the approval of the Annual Accounts

The Audit Committee should note that its remit regarding annual accounts is "to scrutinise and approve the annual accounts and Governance Statements".

### 3. CONCLUSION

The IJB Audit Committee requires to consider and note the attached External Audit Annual Audit Plan 2023/24, approve the annual audit fee, and devolve authority for approval of reasonable supplementary fees to the Chief Finance Officer.

**REPORT AUTHOR: ALEXANDER BERRY, Chief Finance Officer**  
**EMAIL DETAILS: tay.angushscp@nhs.scot**

List of Appendices:

Appendix 1 – External Audit Annual Audit Plan 2023/24