



## **AGENDA ITEM NO 9**

**REPORT NO IJB 37/25**

### **ANGUS INTEGRATION JOINT BOARD AUDIT COMMITTEE**

**25 JUNE 2025**

#### **2024/25 ANGUS INTEGRATION JOINT BOARD ANNUAL INTERNAL CONTROL EVALUATION**

**REPORT BY ALEANDER BERRY, CHIEF FINANCE OFFICER**

##### **1. ABSTRACT**

This report describes the output of the Integration Joint Board's (IJB) Internal Control Evaluation exercise undertaken by the IJB's Internal Auditors. This exercise is a key part of the Annual Internal Audit plan and forms a key component of the evidence relied on by the IJB's Internal Auditors when compiling their Annual Internal Audit Report (a separate item on the IJB Audit Committee agenda for June 2025).

##### **2. BEST VALUE CHARACTERISTICS**

This report contributes to the following best value characteristics:-

- Vision and leadership
- Governance and accountability
- Effective use of resources
- Partnerships and collaborative working

##### **3. RECOMMENDATIONS**

It is recommended that the Integration Joint Board Audit Committee:

- (i) Considers and accepts this Report in the context of its impact on other reports to the June 2025 Audit Committee;
- (ii) Reviews and approves the management responses to the Action Points highlighted in the report; and
- (iii) Notes that all responses to action points will be followed up as part of the IJB's Internal Audit Follow Up processes and reported back to the IJB in future meetings.

##### **4. BACKGROUND**

The IJB's Annual Internal Audit Plan set out the inclusion of an Internal Control Evaluation (ICE) exercise (AN03-25) intended to be a "Holistic assessment of the internal control environment in preparation for production of 2024/25 Annual Report." This followed the introduction of ICE in 2023/24. The annual plan further clarified: -

"The scope of the ICE will be a holistic overview of governance within Angus IJB to provide assurance that there is a sound system of internal control that supports the achievement of the IJB's objectives. Completion of this work will allow detailed consideration of the control environment and will provide early warning of any significant issues that may affect the Governance Statement, allowing management to take any required remedial action before year-end. It also means that year end work to produce the Annual Internal Audit Report

providing the CIA's opinion will be more efficient, building on the detailed ICE work and reducing demands on management time during the annual accounts process. Annual Report work will focus on year-end assurances and confirmation that previously agreed actions have been implemented.”

The fieldwork for the ICE exercise was undertaken in the final quarter of 2024/25 and will therefore support the 2024/25 Annual Internal Audit Report.

## **5. CURRENT POSITION**

Having received the draft ICE report, this was shared within the Executive Management Team and review for accuracy and, particularly, in terms of responses to the Action Points/Findings.

The Management Team have now provided responses to all the Action Points, and these are included in the attached and are subject to a specific recommendation of this report.

Of the six Action Points, three were classed as significant risks and three classed as moderate risks. One of the three significant risk related to issues of financial sustainability that the IJB is already well sighted on. Two of the significant risks relate to the evolving landscape regarding Clinical Governance.

The output of this report will be used by the IJB's Internal Auditor to inform their Annual Internal Audit Report – also due for submission to the June 2025 IJB Audit Committee meeting.

For information, this report notes (#37), that the IJB Member Induction Guide was being updated. This work has now concluded.

## **6. PROPOSALS**

The IJB's Audit Committee needs to consider and accept this report, and to review and approve the management responses to the document Action Points/Findings. Responses to action points will be followed up as part of the IJB's Internal Audit Follow Up processes and reported back to the IJB in future meetings

## **7. FINANCIAL IMPLICATIONS**

There are no direct financial implications of this report.

## **8. EQUALITY IMPACT ASSESSMENT, CHILDREN'S RIGHTS AND FAIRER SCOTLAND DUTY**

Due to the governance nature of this report, it has been confirmed with the IJB Lead for Equalities reporting that an Equalities Impact Assessment is not required.

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List of Appendices: Appendix 1- Angus IJB Annual Internal Control Evaluation 2024/25