

**Scottish Borders Health and Social Care Partnership
IJB Audit Committee**

20 March 2023



Scottish Borders
Health and Social Care
PARTNERSHIP

EXTERNAL AUDIT POINTS UPDATE

Report by Hazel Robertson, Chief Financial Officer

1. PURPOSE AND SUMMARY

- 1.1. **This report is to provide assurance to the Audit Committee that external audit action points are being appropriately implemented.**
- 1.2. The Committee is asked to consider the report and seek clarification of any aspects.
- 1.3. One recommendation has been rejected, following further discussion across the partnership, as it does not add value, and will require additional resources to implement – implementation of a separate ledger for the IJB.

2. RECOMMENDATION

- 2.1. **The Scottish Borders Health and Social Care Integration Joint Board (IJB) Audit Committee is asked to consider the attached update and seek clarification of any aspects.**

3. ALIGNMENT TO STRATEGIC OBJECTIVES AND WAYS OF WORKING

- 3.1. It is expected that the proposal will impact on the Health and Social Care Strategic Framework Objectives and Ways of Working below:

Alignment to our strategic objectives					
Rising to the workforce challenge	Improving access	Focusing on early intervention and prevention	Supporting unpaid carers	Improving our effectiveness and thinking differently to meet need with less	Reducing poverty and inequalities
				x	

Alignment to our ways of working					
People at the heart of everything we do	Good agile teamwork and ways of working – Team Borders approach	Delivering quality, sustainable, seamless services	Dignity and respect	Care and compassion	Inclusive co-productive and fair with openness, honesty and responsibility
	x				

4. INTEGRATION JOINT BOARD DIRECTION

4.1. A Direction is not required.

5. ASSESSMENT

5.1. Most of these recommendations are historic, having been highlighted in successive years. Since coming into post in August 2022 I have undertaken extensive developmental work on the Financial Framework and am confident that this will place the HSCP and IJB in a better position of being able to understand the financial position and make choices about the best use of scarce resources.

5.2. Some of these points will be mirrored in the partners external audit points.

5.3. Good working arrangements are in place between the Executive Finance leads and at an operational level through the virtual HSCP finance team. The programme of work is noted below.

Creation of the Programme Budgeting and Marginal Analysis approach (PBMA), also known as Best Value for Every Pound. This approach is currently being tested in three different service areas.
Extensive review and updating of the Financial Regulations (elsewhere on agenda).
Creation of a finance risk register. This was originally planned for the IJB in March however due to the different risk scoring matrices across this partnership, further discussion is required.
Creation of a scheme of delegation / decision making. All parties are agreed this is required and will be undertaken by June.
Agreement among the three finance leads to development of a 5-10 year long term strategy.
Timetables and HSCP/IJB requirements are being agreed and documented. We will have a plan in place for the external audit process that ensures as much synergy as possible with partner bodies.

5.4. The three finance leads have agreed a return to a more formal approach to enabling the IJB requirements to be met. The IJB CFO has written to the two partner bodies setting out requirements and timescales. This will include the IJB CFO becoming more involved in significant issues and decision making within partner bodies, eg Financial Recovery Plan and Savings Plans.

5.5. Workload for the Executive and operational teams is high however all are committed to working in partnership to support the IJB / HSCP with the information and support required. Team members are very experienced and willing to work with me to achieve good results.

5.6. I anticipate being able to demonstrate to external audit that extensive progress has been made.

6. OUTSTANDING ACTION POINTS

6.1. The attached update provides the background and current position in relation to each action point.

6.2. In light of the extensive improvement programme above and strong partnership working, the creation of a separate ledger for the IJB is not considered to add sufficient value to justify the resource consequences of establishing a separate instance and would create a distracting focus on transaction processing rather than value added finance activities. The focus needs to be on strategic financial planning,, financial information to support decision making, and robust financial

management and control. The IJB CFO can request supplementary information as required to perform the role.

7. IMPACTS

Community Health and Wellbeing Outcomes

7.1. The table below highlights a connection with this outcomes.

N	Outcome description	Increase / Decrease / No impact
1	People are able to look after and improve their own health and wellbeing and live in good health for longer.	
2	People, including those with disabilities or long term conditions, or who are frail, are able to live, as far as reasonably practicable, independently and at home or in a homely setting in their community.	
3	People who use health and social care services have positive experiences of those services, and have their dignity respected.	
4	Health and social care services are centred on helping to maintain or improve the quality of life of people who use those services.	
5	Health and social care services contribute to reducing health inequalities.	
6	People who provide unpaid care are supported to look after their own health and wellbeing, including to reduce any negative impact of their caring role on their own health and well-being.	
7	People who use health and social care services are safe from harm.	
8	People who work in health and social care services feel engaged with the work they do and are supported to continuously improve the information, support, care and treatment they provide.	
9	Resources are used effectively and efficiently in the provision of health and social care services.	x

Financial impacts

7.2. There are no costs attached to any of the recommendations contained in this report.

7.3. There is an opportunity to improve financial control, financial reporting and planning.

Equality, Human Rights and Fairer Scotland Duty

7.4. Equalities impacts will be assessed as part of the Financial Plan and Budget.

Legislative considerations

7.5. S95 requirements provide the essential requirements in relation to financial control, management, reporting and planning. The CFO is progressing a substantial improvement programme to ensure these requirements are met.

Climate Change and Sustainability

7.6. There is no impact on climate change and sustainability.

Risk and Mitigations

7.7. There is a risk of capacity challenges for the virtual finance team given the scale of the budgetary challenge. The team works well together and I am confident that we would work our way through any capacity issues by good communication and being clear about priorities and timescales.

8. CONSULTATION

Communities consulted

8.1. The Integration Planning and Delivery Principles are not applicable at this juncture. Consultation with groups will take place through the Financial Plan and Budget processes. Directions will be developed as required.

8.2. Development of Locality Planning and Participatory Budgeting will involve communities directly in planning and monitoring the use of resources.

Integration Joint Board Officers consulted

8.3. The IJB Chief Finance Officer is the lead on these matters and the IJB Chief Officer has been consulted.

8.4. In addition, consultation has occurred with our statutory operational partners and through the SCP Joint Executive

Approved by:

IJB Chief Finance Officer

Author(s)

IJB Chief Finance Officer

Background Papers: External Audit Action Points

Previous Minute Reference: November 2022 Annual Audit Report

For more information on this report, contact us at

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