

**A meeting of the Integration Joint Board
Finance, Audit & Performance Committee**
will be held on 25 June 2025 10 am – 12 noon in Stirling Council Chambers, Old
Viewforth, Stirling and hybrid via MS Teams

Please notify apologies for absence to:
fv.clackmannanshirestirling.hscp@nhs.scot

AGENDA

1. Apologies for Absence
2. Declarations of Interest
3. Matters arising/urgent business brought forward by Chair
4. Draft Minute of previous meeting held on 19 February 2025
5. Action Log

PRESENTATION

6. IJB Reserves Ewan Murray
20 mins

FOR APPROVAL AND NOTING

7. Internal Audit Plan Gordon O'Connor
8. Draft Annual Governance Statement Ewan Murray
9. Progress Report on Audit Recommendations Ewan Murray
10. Progress Report on IJB Accounts Ewan Murray
11. Best Value Checklist Ewan Murray
12. Review of Workplan 2025/26 Lesley Fulford

FOR NOTING

13. National Reports: Ewan Murray
 - General Practice
 - Local Government Budgets 2025/26

EXEMPT PAPER

- 14.** Internal Audit Annual Assurance Report Isabel Wright
- 15.** Any other Competent Business
- 16.** Date of next meeting
August date TBC

**Draft Minute of the Clackmannanshire & Stirling Integration Joint Board
Finance, Audit and Performance Committee**
held on **Wednesday 19 February 2 pm – 5 pm** in the Boardroom, Carseview
House, Stirling, and hybrid via Microsoft Teams

Present:

Voting Members:

Councillor Martin Earl, Stirling Council (Chair)
Councillor Janine Rennie, Clackmannanshire Council
Councillor Coyne, substitute for Councillor Benny,
Clackmannanshire Council
Allan Rennie, Non-Executive Board Member
Stephen McAllister, Non-Executive Board Member

In Attendance:

Ewan Murray, Chief Finance Officer
Joanna Macdonald, Interim Chief Officer
Wendy Forrest, Head of Strategic Planning and Health
Improvement
Olufisayo Adeleke, Deloitte LLP
Isabel Wright, Chief Internal Auditor
Jason Ross, Internal Audit Officer
Sarah Mcphee, Senior Internal Auditor
Councillor Fiona Law, Clackmannanshire Council
(observing)
Sandra Comrie, PA (Minutes)

1. WELCOME AND APOLOGIES

Since the Chair and Vice Chair of the new Committee had yet to be appointed, the Committee agreed that Councillor Earl would chair the first meeting.

Councillor Earl welcomed everyone to the meeting and confirmed the meeting was quorate.

Apologies:

Martin Fairbairn, Non-Executive Board Member
John Stuart, Non-Executive Board Member

2. DECLARATION(S) OF INTEREST

No declarations of interest were noted.

3. MATTERS ARISING/URGENT BUSINESS BROUGHT FORWARD BY CHAIR

None

4. APPROVED TERMS OF REFERENCE AND MEMBERSHIP

Paper presented by Ewan Murray, Chief Finance Officer

The Clackmannanshire and Stirling Integration Joint Board (IJB) approved the establishment of the Finance, Audit and Performance Committee and its Terms of Reference (ToR) at a special meeting on 7 February 2025. The ToR reflects much of those from the previous Audit & Risk and Finance & Performance Committees.

Mr Murray confirmed the IJB will formally consider and appoint the Chair and Vice Chair of the Finance, Audit and Performance Committee at the meeting on 26 March 2025.

5. UPDATE ON IMPLEMENTING SCOTLAND EXCEL CARE AND SUPPORT FRAMEWORK

Ms Wendy Forrest, Head of Strategic Planning and Ms Jennifer Baird, Service Manager, Commissioning & Contracts presented the update on Implementing Scotland Excel Care and Support Framework

Ms Forrest explained that the Integrated Joint Board previously approved the use of the Scotland Excel Care & Support Framework for purchasing of care and support services across its localities as it represented best value and outcomes for supported individuals. This contract was implemented and ran until Summer 2024. In accordance with national procurement legislation, the contract needed to be re-provisioned in Summer 2024.

Scotland Excel, the National Centre for Excellence in Public Procurement, conducted a national tender exercise in 2024. A new contract was awarded in October 2024 for a duration of six years. This contract will continue to be utilised as it offers the best value.

Ms Baird delivered a presentation on the Care at Home Framework, which included the following topics:

- Implementation
- Tier System
- Current Rates
- Considerations
- Financial Modelling Scenarios
- Risks

Councillor Coyne requested additional details on the differences between the groups of providers and their costings, how these costs are assessed and the number of providers needed. Ms Baird clarified that the groups illustrate the

varying prices charged by different providers and provided the rationale behind these costs. She confirmed that providers charge different rates for the same type of care and that payments are made based on the actual hours worked, as block booking of hours is not commercially viable. She assured that she is confident this mechanism is the most effective approach currently available.

Councillor Rennie enquired whether a costs-benefit analysis had been conducted comparing the expenses of hospital care to care at home, and if there had been any engagement with new providers. Ms Baird confirmed analysis had been done, revealing that care at home is significantly more cost effective. She also noted that and there is no current need for additional providers, as the focus is on managing the market and getting the best performance out of current providers.

Mr Murray highlighted that there are currently too many providers, many of which are small businesses. He noted that the new framework offers an opportunity to streamline the market and introduce new opportunities, as supporting care at home is 300% cheaper than hospital care. He also mentioned that there are various ways to collaborate with providers to enhance resource effectiveness.

Mr Rennie expressed concern about the risk of not being able to provide care at home for everyone who needs it. Mr Murray reassured him that the Strategic Risk Register will be updated in reflection of the delivery plan, once approved. He also mentioned that he and Ms Macdonald will engage with the corporate management teams of the constituent authorities as they continue to develop the delivery plan.

Councillor Earl requested that proposals regarding rates be brought to the IJB for a decision on 26 March 2025. The Committee agreed that the presentation will be shared with Board members at the IJB development session on 26 February 2025 to ensure they are informed.

6. BUDGET AND DELIVERY PLAN UPDATE

Ms Joanna Macdonald, Interim Chief Officer and Mr Ewan Murray, Chief Finance Officer presented the Budget and Delivery Plan Update

The presentation provided an update on the budget and delivery plan, providing assurance on the commitment and ongoing efforts in these areas.

Mr Murray noted that there are still areas with less than full or minimal delivery that need to be assessed and incorporated within delivery plan which will be presented to the IJB. He emphasised the need for reviews of adult social care packages which is a statutory requirement and the exploration of suitable alternative models of care provision where these are not currently available locally. Ms Macdonald added that a new referral process will begin on 1 April 2025, adopting a unified approach for Clackmannanshire and Stirling.

Councillor Earl expressed concerns that the Board might not be able to approve the budget proposals at the IJB meeting on 26 March 2025 without more detailed information. Ms Macdonald explained that she wanted to update the Committee of the position to ensure they were fully informed and reassured that she and Mr Murray are exploring all options. She added that the Senior Leadership Team has been tasked with reviewing every part of their system and addressing the transformational gap.

Mr Murray confirmed that the Board will be assured of what is deliverable next year, agreeing that the IJB require to be confident and assured the delivery plan can be achieved. Councillor Earl requested more details on the consequences of not agreeing on the budget to be provided at the development session on 26 February 2025. The Committee agreed that a communication should be sent to Board members highlighting the importance of attending.

7. PROGRESS UPDATE ON INTERNAL AUDIT RECOMMENDATIONS

Paper presented by Ewan Murray, Chief Finance Officer

The report updated the recommendations from the 23/24 Internal Audit Reports. The progress report shows where progress is complete or ongoing, accompanied by an explanatory narrative.

Mr Murray explained that further progress reports on both progress against these actions, further recommendations arising from the 2024/25 Internal Audit Plan and from the Chief Internal Auditors Annual Assurance report will be brought to the Committee for monitoring.

Internal Audit have provided Mr Murray with an annual governance questionnaire for completion by the end of February 2025 which will form a significant element of the body of evidence the Chief Internal Auditor will use to inform the assurance opinion in the Annual Assurance report which will be presented to the Committee at the meeting on 25 June 2025.

Progress reports in respect of recommendations from the Annual External Audit Report (AAR) were presented to the IJB Audit and Risk Committee in September and December 2024. A further update on these will be presented to the Committee at the meeting on 25 June 2025.

The Audit and Risk Committee:

- 1) Noted and drew assurance from the progress update on the recommendations contained within 23/24 Internal Audit Reports**

8. EXTERNAL AUDIT PLAN

Paper presented by Olufisayo Adeleke, Deloitte LLP

Mr Adeleke explained that the initial risk assessment was similar to last year's report, identifying only the management override of controls as a significant risk for this year. No other significant risks were identified. Deloitte will review the financial statements and obtain assurance over areas where management has the judgment to influence reports and accounts to override controls.

As part of the audit, Deloitte will conduct a comprehensive scope of procedures, examining financial management, financial sustainability, vision leadership, and governance resources. Mr Adeleke provided an overview of the planned responses in these areas.

It was also noted that, following a review of the Strategic Risk Register, the IJB scores high in financial resilience.

Councillor Earl noted that the Internal Audit Report referenced in the paper will be addressed under item 14 as an exempt item.

Mr Murray has provided comments on the draft external audit plan explaining that he relies on the finance teams from all the constituent authorities and their internal control environments. He advised the committee he and the HSCP Management Accountant can only ensure delivery of the plan if appropriate and responsive support is provided through the constituent authorities. He also advised that, if a swift conclusion to financial risk sharing for 2024/25 is not achieved this may compromise the ability to deliver against the plan.

Ms Macdonald suggested including the Audit Scotland Report on IJB Finance and Performance, published in July 2024, as a reference point in the report.

The Audit and Risk Committee:

- 1) Considered, discussed and approved the Annual Audit Plan**

9. REVIEW OF RESERVES STRATEGY AND POLICY

Paper presented by Ewan Murray, Chief Finance Officer

There is a requirement to have a reserves policy and strategy. Mr Murray confirmed that various discussions had taken place at previous Audit and Risk Committees, including a deep dive review of guidance in September 2024. The proposal is to retain the existing reserves strategy and policy unchanged, given that there will be 0% general reserves at the end of this financial year, and it is unlikely any will be generated in the next financial year. This approach aims to reestablish how an aspirational reserves position could be achieved over time,

while retaining the existing policy and strategy. He emphasised that the challenge of achieving this in practice should not be underestimated.

Councillor Rennie noted that, based on initial conversations, IJBs were not expected to have reserves and should aim to break even each year. Mr Murray clarified that this has been a topic of debate since IJBs were established. He explained that CIPFA guidance recommends that IJBs should maintain reserves, and his advice to the Board is to aspire to hold a modest level of general reserves as a responsible public body. Ms Macdonald added that previous reserves were funded by the government to cover unexpected additional charges. Reserves are expected to be minimal for the next financial year, currently estimated at around £1 million to £1.5 million.

Councillor Earl asked how to discharge the responsibility if there are no reserves.

Mr Murray explained that the integration scheme outlines the conditions under which general reserves can be generated, noting that any underspend on the integrated budget would contribute to the general reserves. Ms Macdonald added that this pertains to the IJB finances, and if there is no balanced budget, these circumstances must be discussed at the development session on 26 February 2025.

Ms Rennie pointed out that the recommendation does not clearly indicate that it is an aspirational reserves position. Mr Murray proposed that the Committee's concerns and comments on the reserves strategy and policy be included in the budget paper to be presented to the IJB on 26 March 2025.

The Committee agreed to maintain the existing policy, with further discussion on an appropriate reserves policy position to take place at the June Committee meeting.

The Audit and Risk Committee:

- 1) Considered the reserves strategy and policy.**
- 2) Agreed that the extant reserves strategy and policy remains in place at this point and the budget paper to the IJB should reflect this and the committees requested for further discussion on an appropriate reserves policy at the June meeting.**

10. Q3 PERFORMANCE REPORT

Paper presented by Wendy Forrest, Head of Strategic Planning and Health Improvement

This is a standard report that will be presented to the IJB quarterly. Ms Forrest has brought it to the Committee for scrutiny and consideration of some key performance targets and measures within the paper. The executive summary

appended to the paper outlines some approved indicators that are not improving against certain targets. This is aligned with the Strategic Commissioning Plan.

Councillor Rennie asked if there was any feedback on a question she raised at the Audit and Scrutiny Committee regarding referrals to psychological therapy. Ms Forrest confirmed that Ms Macdonald is collaborating with colleagues in mental health and learning disabilities to organise an all-member briefing across Clackmannanshire and Stirling, as well as the IJB.

The Audit and Risk Committee:

- 1) Reviewed the Q3 Performance Report.**
- 2) Noted the actions identified and taken to address the issues identified where performance needs to be improved.**
- 3) Approved Quarter Three (October to December 2024) Executive Summary (Appendix 1) & Report (Appendix 2) to be presented to the Integration Joint Board.**

11. INTEGRATED WORKFORCE PLAN – YEAR 2 REVIEW

Paper presented by Wendy Forrest, Head of Strategic Planning and Health Improvement

The paper highlights several challenges related to workforce recruitment and retention. Although the Scottish Government did not request this review, Ms Forrest felt it would be beneficial to present the year 2 review to the Committee and the IJB, given the significant changes anticipated in the coming year.

Work has been completed to implement a new approach to contracting and commissioning processes, including the involvement of third and independent sector colleagues within the broader commissioning context. Efforts will continue to provide more detailed information about the establishment, both internally and externally, regarding where services are being commissioned.

In response to Councillor Rennie's question about trauma training, Ms Forrest explained work is ongoing with the resilience learning partnership through the Alcohol and Drug Partnership to create a team of policy officers fully trained on the impact of operating procedures.

The Audit and Risk Committee:

- 1) Noted the Integrated Workforce Plan Year 2 Review (in Appendix I)**
- 2) Noted the next steps outlined in this paper.**

12. MOVING ON POLICY

Paper presented by Wendy Forrest, Head of Strategic Planning

and Health Improvement

The paper highlights the collaborative efforts across NHS Forth Valley and both Falkirk and Clackmannanshire and Stirling Health and Social Care Partnerships. Ms Forrest explained that the focus is on adopting a unified approach for Forth Valley, particularly for individuals transitioning in and out of hospital and being supported back into their communities. This shared policy emphasises operational delivery to foster a sense of collegiate working across the entire system. By next year, there should be a noticeable improvement in how the processes within the policy are functioning.

The Audit and Risk Committee:

1) Endorsed the Policy

13. RELEVANT NATIONAL REPORTS:

Paper presented by Ewan C Murray, Chief Finance Officer

The paper provided key links to the following reports:

- NHS Overview
- Local Government

Mr Murray explained that since the IJBs receive their funding directly from NHS Boards and Local Authorities, including passthrough funding from Scottish Government, these reports are directly relevant to the funding environment and the pressures faced.

The Audit and Risk Committee:

- 1) Noted the reports and their direct relevance to the IJB and partners.**
- 2) Noted the key messages and recommendations from the reports.**

EXEMPT PAPER

14. INTERNAL AUDIT PROGRESS REPORT

Paper presented by Isabel Wright, Chief Internal Auditor

Since the paper was exempt, the discussion took place in private.

15. ANY OTHER COMPETENT BUSINESS

None

16. DATE OF NEXT MEETING

25 June 2025

**Finance, Audit and Performance Committee
Action Log**



Paper Number	Report Title	Action	Person Responsible	Timescale	Progress/Outcome	Status
4	Approved Terms of Reference and Membership	The IJB will formally consider and appoint the Chair and Vice Chair of the Finance, Audit and Performance Committee.	ECM	26 March 2025	Deferred to 21 May 2025	Ongoing
6	Budget and Delivery Plan Update	Email, on behalf of Councillor Earl, to be issued to IJB members emphasising the importance of attending the development session on 26 th February.	ECM/SC	20 February 2025	Email issued	Complete
7	Progress Update on Internal Audit Recommendations	A further update to be presented at the next meeting	ECM	25 June 2025	In progress	In progress
8	External Audit Plan	Include, for reference, Audit Scotland Report on IJB Finance and Performance, published July 2024.	Deloitte	17 September 2025	In Progress	In Progress
9	Review of Reserves Strategy and Policy	The Committee's concerns and comments on the reserves strategy and policy will be included in the budget paper to be presented to the IJB on 26 March 2025.	ECM	26 March 2025	Report Updated	Complete
		Review the policy again at the meeting on 25 June 2025	ECM	25 June 2025	In progress	In progress

Clackmannanshire & Stirling Integration Joint Board Finance, Audit and Performance Committee

25 June 2025

Agenda Item 7

Internal Audit Plan 2025/26

For Approval

Paper Approved for Submission by:	Ewan Murray, Chief Finance Officer
Paper presented by	Gordon O'Connor, Audit Service Manager, Stirling Council
Author	Gordon O'Connor, Audit Service Manager, Stirling Council
Exempt Report	No

Directions	
No Direction Required	<input checked="" type="checkbox"/>
Clackmannanshire Council	<input type="checkbox"/>
Stirling Council	<input type="checkbox"/>
NHS Forth Valley	<input type="checkbox"/>

Purpose of Report:	This report presents a 2025/26 Internal Audit Plan for approval.
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Recommendations:	<p>The Finance, Audit and Performance Committee is asked to:</p> <ol style="list-style-type: none"> 1) approve the Internal Audit Plan for 2025/26; and 2) note that progress will be reported to the Finance, Audit and Performance Committee on an ongoing basis.
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Key issues and risks:	<p>The role of Internal Audit is to provide the Finance, Audit and Performance Committee with assurance on the IJB's arrangements for risk management, governance and control. Work undertaken by Internal Audit aims to reduce or mitigate risk to which the IJB may be exposed.</p> <p>Consideration of this report enables the Finance, Audit and Performance Committee to discharge its remit to 'review and approve the annual Internal Audit Plan' and to 'assess the adequacy and effectiveness of the IJB's internal controls and corporate governance arrangements.' This is in line with the Committee's Terms of Reference, as approved at a special meeting of the IJB on 07 February 2025.</p>
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1. Background

- 1.1. The Public Bodies (Joint Working) (Scotland) Act 2014 was passed by the Scottish Parliament on 25 February 2014 and received Royal assent in April of that year. It establishes the framework for the integration of health and social care in Scotland.
- 1.2. The Scottish Government established the Integrated Resources Advisory Group (IRAG) to consider the financial implications of integrating health and social care and to help develop professional guidance.
- 1.3. In June 2015 the IRAG issued 'Health and Social Care Integration: Finance Guidance' (the guidance). Section 2.4 of the guidance states that 'It is the responsibility of the Integration Joint Board (the IJB) to establish adequate and

proportionate Internal Audit arrangements for review of the adequacy of the arrangements for risk management, governance and control of the delegated resources.’

- 1.4. On 24 February 2016 the Integration Joint Board (the IJB) agreed that Internal Audit services will be provided by the Internal Audit teams (of the constituent bodies), with responsibility for IJB Internal Auditor duties undertaken by the Chief Internal Auditor of one of the constituent bodies. It was agreed that this responsibility will rotate between the Chief Internal Auditors of the constituent bodies on a three yearly basis.
- 1.5. For the three years from 01 April 2025 the responsibility for leading on the delivery of Internal Audit services to the IJB falls to Stirling Council’s Audit Service Manager.

2. Considerations

- 2.1. Until 31 March 2025 the work of Internal Auditors in the UK public sector was governed by the requirements of the Public Sector Internal Audit Standards 2017 (the Standards). The Standards were issued jointly by the Chartered Institute of Public Finance & Accountancy (CIPFA) and the Chartered Institute of Internal Auditors
- 2.2. From 01 April 2025 the Institute of Internal Auditors’ (IIA) Global Internal Audit Standards 2024 (GIAS) apply. CIPFA has produced a ‘Global Internal Audit Standards in the UK Public Sector’ application note that provides a framework for the practice of Internal Audit in the UK public sector.
- 2.3. The outgoing Standards and new GIAS both require the Chief Internal Auditor to prepare a risk based Internal Audit Plan setting out the team’s annual work programme.
- 2.4. Internal Audit’s role is to provide a balanced and evidence-based opinion on the adequacy of arrangements for risk management, governance and control. To do this, the Internal Audit team must be:
 - independent and objective;
 - adequately resourced; and
 - experienced, qualified and knowledgeable.
- 2.5. Development of the annual Internal Audit Plan is based on discussion with the Chief Officer and Chief Finance Officer and review of relevant documentation, including the Strategic Commissioning Plan and IJB Strategic Risk Register.
- 2.6. Resource to deliver planned Internal Audit work is drawn from across each of the constituent bodies, as follows:

Constituent Body	Resource Allocation
Stirling Council	50 days
Clackmannanshire Council	15 days
NHS Forth Valley	15 days

2.7. This resource will be used to deliver the following activities and outputs:

	Activity	Days
Internal Audit planning and management.	Internal Audit planning; liaison with IJB management; planning for, and attendance at, Finance, Audit and Performance Committee meetings; and preparation of Internal Audit update, annual assurance and planning reports.	15
Internal Audit assignment.	Review of delivery plan and associated budget monitoring. Linking to strategic risk HSCP001: Delivery of Strategic Commissioning Plan within available budget.	20
Internal Audit assignment.	Review of assurance frameworks, focussing on assurances in respect of delivery of accountabilities set out in the Integration Scheme. This links with various strategic risks, including HSCP002: Inadequate Governance, Leadership, Decision Making and Scrutiny.	20
Follow-up.	Follow-up of previous Internal Audit recommendations.	5
Annual assurance work.	Facilitation of, and input to, annual governance self-assessment process.	5
Consultancy and contingency.	Provision of consultancy input and advice and contingency time to allow for some flexibility in delivery of listed activities.	15

2.8. It should be noted that the above plan must be flexible, to allow for consideration of any new or emerging areas of risk that may require Internal Audit input over the course of the year.

2.9. For each assignment a more detailed Assignment Brief will be agreed with the Chief Officer and Chief Finance Officer prior to the commencement of audit fieldwork.

2.10. On completion of each assignment Internal Audit will issue a draft report to the Chief Officer and Chief Finance Officer. This will include an opinion on the adequacy of risk management, governance and control arrangements in the area under review and an action plan setting out any recommendations for improvement. The assurance will be provided in line with the definitions at **Appendix 1**.

- 2.11. Where Internal Audit makes recommendations, the Chief Officer, Chief Finance Officer or other officer nominated by the Chief Officer / Chief Finance Officer will be required to provide formal responses (including implementation date and responsible officer). The report and action plan will then form the final record of the assignment.
- 2.12. Each year, an Internal Audit Annual Assurance Report will be presented to the Finance, Audit and Performance Committee providing an overall opinion on the IJB’s risk management, governance and control arrangements based on Internal Audit work carried out over the course of the year.

3. Conclusions

- 3.1. The annual Internal Audit Plan sets out planned Internal Audit activity for the coming year. The findings and conclusions arising from Internal Audit work allow the Chief Internal Auditor to provide an overall opinion on arrangements for risk management, governance and control. This will be set out in the Chief Internal Auditor’s Internal Audit Annual Assurance Report to Finance, Audit and Performance Committee.

4. Appendices

Appendix 1: Definition of Assurance Categories

Fit with Strategic Priorities:	
Prevention and Early Intervention	<input type="checkbox"/>
Independent Living through Choice and Control	<input type="checkbox"/>
Achieve Care Closer to Home	<input type="checkbox"/>
Supporting People and Empowering Communities	<input type="checkbox"/>
Reducing Loneliness and Isolation	<input type="checkbox"/>
Enabling Activities	
Medium Term Financial Plan	<input type="checkbox"/>
Workforce Plan	<input type="checkbox"/>
Commissioning Consortium	<input type="checkbox"/>
Transforming Care	<input type="checkbox"/>
Data and Performance	<input type="checkbox"/>
Communication and Engagement	<input type="checkbox"/>
Implications	
Finance:	No direct financial implications.
Other Resources:	Delivery of planned Internal Audit work will require a time commitment from senior IJB officers.

<p>Legal:</p>	<p>IRAG guidance on the financial implications of integrating health and social care in line with the Public Bodies (Joint Working) (Scotland) Act 2014 requires the IJB to establish adequate and proportionate Internal Audit arrangements for review of the adequacy of the arrangements for risk management, governance and control of the delegated resources.</p>
<p>Risk & mitigation:</p>	<p>Internal Audit work is planned taking account of the IJB's Strategic Risk Register and seeks to provide an overall opinion on the IJB's arrangements for risk management, governance and control.</p>
<p>Equality and Human Rights:</p>	<p>The content of this report does not require an EQIA</p>
<p>Data Protection:</p>	<p>The content of this report does not require a DPIA</p>
<p>Fairer Duty Scotland</p>	<p>Fairer Scotland Duty places a legal responsibility on public bodies in Scotland to actively consider ('pay due regard' to) how they can reduce inequalities of outcome caused by socio-economic disadvantage, when making strategic decisions.</p> <p>The Guidance for public bodies can be found at: Fairer Scotland Duty: guidance for public bodies - gov.scot (www.gov.scot)</p> <p>Please select the appropriate statement below:</p> <p>This paper does not require a Fairer Duty assessment.</p>

Definition of Assurance Categories

Level of Assurance	Definition
Comprehensive assurance	Sound systems for risk management, governance, and control are in place. These should be effective in mitigating risks to the achievement of business and control objectives. Some improvements to existing controls in a few, relatively minor, areas may be required.
Substantial assurance	The systems for risk management, governance, and control are largely satisfactory. There is, however, some scope for improvement as the current arrangements could undermine the achievement of business and / or control objectives and leave them vulnerable to risk of error or abuse.
Limited assurance	The systems for risk management, governance, and control have some satisfactory aspects. However, they contain a number of significant weaknesses that are likely to undermine the achievement of business and / or control objectives and leave them vulnerable to an unacceptable risk of error or abuse.
No assurance	The systems for risk management, governance, and control are ineffectively designed or are operated ineffectively. Business and / or control objectives are not being achieved, and the risk of serious error or abuse is unacceptable. Significant improvements are required.

Clackmannanshire & Stirling Integration Joint Board Finance, Audit and Performance Committee

25 June 2025

Agenda Item 8

Draft Annual Governance Statement

For Approval

Paper Approved for Submission by:	Ewan Murray, Chief Finance Officer
Paper presented by	Ewan Murray, Chief Finance Officer
Author	Ewan Murray, Chief Finance Officer
Exempt Report	No

Directions	
No Direction Required	<input checked="" type="checkbox"/>
Clackmannanshire Council	<input type="checkbox"/>
Stirling Council	<input type="checkbox"/>
NHS Forth Valley	<input type="checkbox"/>

Purpose of Report:	To present a draft Annual Governance Statement for the IJB for financial year 2024/25 for consideration and approval
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Recommendations:	<p>The Finance, Audit and Performance Committee is asked to:</p> <ol style="list-style-type: none"> 1) Consider and approve the draft Annual Governance Statement 2) Note that the Annual Governance Statement will be further updated for the audited accounts to take account of the content of the Annual Governance Statements of the constituent authorities and the assurance opinion from the Chief Internal Auditors Annual Assurance Report 3) Note the Internal Audit Annual Assurance Report Opinion of Substantial Assurance.
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1. Background

- 1.1 On an annual basis the IJB is required to include an Annual Governance Statement (AGS) within its annual accounts. This statement is intended to explain the IJBs governance arrangements and report on the effectiveness of the IJBs systems of internal control.
- 1.2 The statement describes and includes:
- The scope of responsibility of the IJB
 - The purpose of the Governance Framework
 - Governance Framework and Systems of Internal Control
 - A review of Adequacy and Effectiveness
 - Roles and Responsibilities
 - Other Significant Governance Issues
 - Management of Risk
 - Review of 2024/25 Action Plan
 - 2025/26 Action Plan
- 1.3 Given the ongoing discussions regarding the revised Integration Scheme (IS) dispute resolution process a section on the Integration Scheme is incorporated within the AGS appreciating that the IS the legal partnership agreement

between the constituent authorities and therefore not something the IJB itself has a direct locus in.

2. Considerations

- 2.1. The presentation of the draft AGS as a separate agenda item continues practice established during 2024/25 giving the AGS an appropriate profile within the committees' considerations. This approach was agreed with the IJB Audit and Risk Committee in June 2024.
- 2.2. The draft AGS should be read in conjunction with progress report on the Unaudited Accounts and the Internal Audit Reports being presented to the committee.
- 2.3. As the IJB relies on the internal control and governance systems of the constituent authorities it is also important that the annual governance statement of the IJB is reflective of assurance levels and significant issues detailed within these.
- 2.4. Therefore, the IJB Chief Finance Officer will review the AGS's of the constituent authorities when available and reflect any significant governance issues within the IJBs AGS as appropriate.
- 2.5. The AGS will also be updated to reflect the assurance level contained within the Internal Audit Annual Assurance Report post consideration by the committee.
- 2.6. There remains a requirement to improve audit follow-up, and steps have now been taken to re-focus a role within the wider HSCP Senior Management and Leadership Team to support improvements in business and governance arrangements for the remainder of this calendar year in the first instance. This will include follow up on audit recommendations and management responses.

3. Internal Audit Annual Assurance Report Opinion

- 3.1. The IJBs Governance Frameworks and their effective operation also contribute to the delivery of Best Value. A specific report on Best Value is presented on today's committee agenda.
- 3.2. Given the Internal Audit Annual Assurance Report presented to this meeting is an exempt paper this paper gives an opportunity to transparently and publicly disclose the Chief Internal Auditors opinion on assurance. This report states that Internal Auditor can provide **SUBSTANTIAL ASSURANCE** on the IJBs arrangements for risk management, governance and control for year to 31 March 2025.

4. Appendices

Appendix 1 – Draft 2024/25 IJB Annual Governance Statement

Fit with Strategic Priorities:	
Care Closer to Home	<input type="checkbox"/>
Primary Care Transformation	<input type="checkbox"/>
Caring, Connected Communities	<input type="checkbox"/>
Mental Health	<input type="checkbox"/>
Supporting people living with Dementia	<input type="checkbox"/>
Alcohol and Drugs	<input type="checkbox"/>
Enabling Activities	
Technology Enabled Care	<input type="checkbox"/>
Workforce Planning and Development	<input type="checkbox"/>
Housing and Adaptations	<input type="checkbox"/>
Infrastructure	<input type="checkbox"/>
Implications	
Finance:	There are no known additional resource implications arising from this paper.
Other Resources:	No direct implications other than the resource required to discharge the action plan.
Legal:	The Annual Governance Statement forms part of the requirements of the IJBs statutory accounts.
Risk and Mitigation:	The Annual Governance Statement includes commentary of the Risk Management Framework and arrangements.
Equality and Human Rights:	The content of this report does not require an EQIA. No equalities issues arise.
Data Protection:	The content of this report does not require a DPIA.
Fairer Duty Scotland	<p>Fairer Scotland Duty places a legal responsibility on public bodies in Scotland to actively consider ('pay due regard' to) how they can reduce inequalities of outcome caused by socio-economic disadvantage, when making strategic decisions.</p> <p>The Guidance for public bodies can be found at: Fairer Scotland Duty: guidance for public bodies - gov.scot (www.gov.scot)</p> <p>Please select the appropriate statement below:</p> <p>This paper does not require a Fairer Duty assessment.</p>

Annual Governance Statement

The Annual Governance Statement explains the IJB's governance arrangements and reports on the effectiveness of the IJB's system of internal control.

Scope of Responsibility

The IJB is responsible for ensuring that:

- its business is conducted in accordance with the law and appropriate standards.
- that public money is safeguarded, properly accounted for, and used economically, efficiently, and effectively.

The IJB also aims to foster a culture of continuous improvement in the performance of the IJB's delegated functions and make arrangements to secure best value. To meet this responsibility, the IJB has established arrangements for governance which includes a system of internal control. The system is intended to manage risk to support the achievement of the IJB's policies, aims, and objectives. Reliance is also placed on the NHS Forth Valley and Clackmannanshire and Stirling Councils systems of internal control which support compliance with both organisations' policies and promotes achievement of each organisation's aims and objectives, as well as those of the IJB.

Given the IJB utilises the systems of internal control with NHS Forth Valley, Clackmannanshire Council, and Stirling Council the system can only provide reasonable and not absolute assurance of effectiveness.

Purpose of the Governance Framework

The governance framework comprises the systems and processes, and culture and values, by which the IJB is directed and controlled. It enables the IJB to monitor the achievement of the demonstrable progress against the priorities set out in the IJB's Strategic Commissioning Plan. The governance framework will be continually updated to reflect best practice, new legislative requirements, and the expectations of stakeholders.

The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the IJB's objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them effectively.

Governance Framework and Internal Control System

The Board of the IJB comprises the Chair, Vice Chair and ten other voting members; six are Council Elected Members nominated (three each council) by Clackmannanshire and Stirling Council and six are Board members of NHS Forth Valley (four Non-Executive Directors and two Executive Directors). There are also a number of non-voting professional and stakeholder members on the IJB including the Chief Officer, Chief Finance Officer, and professional medical, nursing, and

social work advisors to the IJB. Stakeholder members currently include representatives from the third sector interfaces, carers, and service users.

The main features of the governance framework in existence during 2024/25 were:

- The (extant) Integration Scheme
- Standing Orders
- Scheme of Delegation
- Financial Regulations and Reserves Policy and Strategy
- Code of Conduct and Register of Interests
- IJB Committee(s) operating within approved Terms of Reference
- Clinical and Care Governance Framework
- Risk Management Framework and Strategic Risk Register
- Complaints Handling Procedure
- Information Governance Arrangements and Information Security Policy

The governance framework described operates on the foundation of internal controls, including management and financial information, financial regulations, administration, supervision, and delegation.

The IJB utilises the internal control systems of NHS Forth Valley, Clackmannanshire Council and Stirling Council in the commissioning and delivery of in-scope functions. As such the Annual Governance Statement of NHS Forth Valley has been reviewed and no matters which pose significant additional risk to the IJB are highlighted. At the time of drafting the draft annual governance statements of Clackmannanshire and Stirling Councils were not yet available. This will be reviewed when available and any relevant matters highlighted in further iterations of the Annual Governance Statement.

The Chief Internal Auditor complies with “The Role of the Head of Internal Audit in Public Organisations” (CIPFA) and operates in accordance with “Public Sector Internal Audit Standards”. The Head of Internal Audit reports directly to the Integration Joint Board Audit and Risk Committee with the right of access to the Chief Financial Officer, Chief Officer and Chair of the Integration Joint Board Audit and Risk Committee on any matter. The annual programme of internal audit work is based on a risk assessment drawn from review of the Integration Joint Boards Strategic Risk Register and is approved by the Integration Joint Boards Finance, Audit and Performance Committee (formerly by the IJB Audit and Risk Committee).

From April 2023 to March 2025 the IJBs Chief Internal Auditor has been appointed on behalf of Clackmannanshire Council. As Clackmannanshire Council procures Internal Audit Services from Falkirk Council’s Internal Audit service the IJBs Chief Internal Auditor is the Internal Audit Risk and Corporate Fraud Manager from Falkirk Council.

From April 2025 to March 2027 the IJBs Chief Internal Auditor is Stirling Councils Audit Service Manager. This arrangement is in line with the decision taken by the IJB on 24 February 2016 agreeing cyclical provision of Internal Audit services.

Responsibility therefore rotates between the Chief Internal Auditors of the constituent authorities on a three yearly basis.

Review of Adequacy and Effectiveness

The IJB has responsibility for conducting, at least annually, a review of effectiveness of the system of internal control and the quality of data used throughout the organisation. The review is informed by the work of the Senior Leadership Team, work of the IJB's internal audit service including the Chief Internal Auditor's annual assurance report, and reports from external auditors and other review agencies and inspectorates.

The outgoing Chief Internal Auditor's 2024/25 Annual Assurance Report will be presented to the IJB Finance, Audit and Performance Committee in June 2025 and will provide an opinion on the IJB's arrangements for risk management, governance, and control for the year to 31 March 2025.

The review of the IJB's governance framework is supported by a process of self-assessment. This is undertaken by the Chief Finance Officer, who passes the outputs of the self-assessment to the Chief Internal Auditor. This helps to inform the Chief Internal Auditor's overall opinion on the IJB's arrangements for risk management, governance and control, as set out in the Internal Audit Annual Assurance Report.

The Chief Officer also gives assurances as Director of Health and Social Care through the Annual Governance Statement processes of the constituent authorities and the IJB Chief Finance Officer reviews the Annual Governance Statements of the constituent authorities to identify any weaknesses in governance which may affect integration functions and/or pose a risk to the IJB.

The Senior Leadership Team has input to this process through the Chief Finance Officer. In addition, the review of the effectiveness of the governance arrangements and systems of internal control within the Health Board and Local Authority partners places reliance upon the individual bodies' management assurances in relation to the soundness of their systems of internal control.

Due to the nature of IJB Board Membership, a conflict of interest can arise between an IJB Board Members' responsibilities to the IJB and other responsibilities that they may have. The IJB has arrangements in place to deal with any conflicts of interest that may arise. It is the responsibility of Board and Committee Members to declare any potential conflicts of interest, and it is the responsibility of the Chair of the relevant Board or Committee to ensure such declarations are appropriately considered and acted upon. The Standards Commission for Scotland sets out guidance for Councillors and board members on identifying and managing potential conflicts of interest including specific guidance for IJB members.

Roles and Responsibilities

The Chief Officer is the Accountable Officer for the IJB and has day-to-day operational responsibility to monitor delivery of integrated services, with oversight from the IJB.

The Chief Finance Officer complies with the CIPFA Statement on “The Role of the Chief Finance Officer in Local Government 2014”. The IJB’s Chief Finance Officer has overall responsibility for Clackmannanshire and Stirling Health and Social Care Partnership’s financial arrangements.

The Chief Internal Auditor complies with the requirements of the CIPFA Statement on “The Role of the Head of Internal Audit in Public Organisations 2019”. The IJB’s appointed Chief Internal Auditor has responsibility for the IJB’s internal audit function and is professionally qualified and suitably experienced to lead and direct internal audit staff. During 2024/25 the Internal Audit service operated in accordance with Public Sector Internal Audit Standards. From April 2025 the Institute of Internal Auditors’ (IIA) Global Internal Audit Standards 2024 (GIAS) apply. The Internal Audit team will be required to operate in compliance with GIAS from April 2025.

The Standards require the Chief Internal Auditor to establish a Quality Assurance and Improvement Programme (QAIP) to allow evaluation of compliance with the Standards. This comprises an annual self-assessment and a five yearly external assessment. The external quality assessment element of the Standards seeks to provide independent assurance on the level of compliance. The Internal Audit Manager undertook a detailed self-assessment against the Standards in March 2023. This confirmed continuing compliance with the Standards, and has now been subject to independent, external validation as part of a national review process established by the Scottish Local Authorities Chief Internal Auditors’ Group.

Board members and officers of the IJB are committed to the concept of sound internal control and the effective delivery of IJB services. The IJB’s Audit and Risk Committee which has now been superseded by the Finance, Audit and Performance Committee operates in accordance with CIPFA’s Audit Committee Principles in Local Authorities in Scotland and Audit Committees: Practical Guidance for Local Authorities. The Committee’s core function is to provide the IJB with independent assurance on the adequacy of the risk management framework, the internal control environment and the integrity of the financial reporting and governance arrangements.

Other Significant Governance Issues

The material level of net overspend in 2024/25 and inability to set a deliverable balanced budget for 2025/26 require to be acknowledged as significant governance issues.

The Chief Finance Officers report to the November 2024 IJB set out potential options that were considered but that it was not possible to fully recover the budget position in year.

The IJB considered the 2025/26 Revenue Budget in March 2025 and approved a revised 2025/26 Indicative Revenue Budget and 2025/26 to 2027/28 Delivery Plan on 2 May 2025. Given the budget was still unbalanced at this time further financial recovery options require to continue to be considered and implemented in line with the requirements of the extant Integration Scheme.

These challenges require to be set within the context of increasing demand and complexity and costs of service provision with financial settlements not keeping pace as referred by the Accounts Commission in their Integration Joint Boards: Finance Bulletin 2023/24 published on 6 March 2025.

Integration Scheme

At the time of writing a revised integration scheme has been approved by two of the three constituent authorities with the other authorities seeking further revisions before consideration for approval. Whilst the Integration Scheme forms a significant element of the IJBs governance frameworks it is important to understand that the Integration Scheme is the legal partnership agreement between the constituent authorities which established and governs the IJB. The IJB does not, therefore, have any direct locus on the Integration Scheme itself.

Management of Risk

The Integration Joint Board monitors and seeks to mitigate significant risk through its Risk Management Framework and Strategic Risk Register. The Strategic Risk Register is regularly reviewed by the partnership Senior Leadership Team. The Finance, Audit and Performance Committee will provide a scrutiny role for the Integration Joint Board by reviewing, scrutinising, and approving the Strategic Risk Register as a standing agenda item at each meeting.

The IJBs risk management framework has recently been reviewed and a revised strategy including risk appetite and tolerance statements were approved by the IJB in August 2024.

Action Plan

Following consideration of the review of adequacy and effectiveness the following action plan is proposed to the IJB Finance, Audit and Performance Committee to ensure continual improvement of the IJB's governance. Regular updates on progress of the agreed actions will be monitored by the Committee.

Review of 2024/25 Action Plan

Areas for Improvement Identified	Action Undertaken in 2024/25	Responsible Party(s)	Previous Planned Date of Completion	Revised Date of Completion
Comprehensive review of the IJBs Governance Frameworks will be undertaken	<p>Standing Orders reviewed, revised, and presented for approval.</p> <p>Preparation of a revised Integration Scheme (IS) (noting the IS is the legal partnership agreement between the constituent authorities).</p>	<p>Chief Officer</p> <p>Clackmannanshire and Stirling Councils and NHS Forth Valley</p>	<p>June 2024</p> <p>October 2024</p>	<p>November 2024 (IJB paper 13)</p> <p>Subject to resolution of dispute between constituent authorities and reaching a point where all constituent authorities can approve revised scheme.</p>
Development of Local Code of Corporate Governance	Not taken forward in way originally envisaged. Instead, further review of governance frameworks including Standing orders, financial regulations	Chief Finance Officer	September 2024	Estimated by December 2025 – however there are dependencies with the revised Integration Scheme.

Areas for Improvement Identified	Action Undertaken in 2024/25	Responsible Party(s)	Previous Planned Date of Completion	Revised Date of Completion
	and scheme of delegation will be required once revised Integration Scheme is approved.			
Implement Revised Approach to Directions	Substantially complete (subject to ongoing development)	Chief Officer & Chief Finance Officer	From March 2024	Complete
Further Develop Best Value Arrangements	Complete within limitations of recording and management information systems and information available.	Chief Officer, Chief Finance Officer and Head of Strategic Planning and Health Improvement	June 2024	June 2025

2025/26 Action Plan

Areas for Improvement Identified	Action Required	Responsible Party(s)	Planned Date of Completion
Review and Reform of IJB Governance Frameworks	Review of Financial Regulations	Chief Finance Officer	September 2025
	Development of Board Assurance and Escalation Framework	Chief Finance Officer	December 2025

	Review of Scheme of Delegation (IJB and Operational Delegated Authority Levels)	Chief Officer, Chief Finance Officer	December 2025
Assurance Arrangements	Reinstate Annual Assurance Report for IJB Committee	FAP Committee Chair	March 2026
Audit Follow Up	Ensure improvement of audit follow up actions	Chief Finance Officer / Senior Planning Manager	December 2025
Workforce Planning	Review Year 3 Action Plan to ensure SMART and specific consideration approaches to recruitment and retention of new talent.	Head of Service (strategic Planning and Health Improvement) / HSCP Senior Organisational Development Advisor	January 2026

Conclusion and Opinion on Assurance

Whilst recognising that further improvements are required, as detailed above, it is our opinion that reasonable assurance can be placed upon the adequacy and effectiveness of the IJB's governance arrangements.

We consider that the internal control environment provides reasonable and objective assurance that any significant risks impacting on the IJB's principal objectives will be identified and actions taken to avoid or mitigate their impact.

Systems are in place to regularly review and improve the internal control environment and the implementation of the action plan will be monitored by the HSCP Senior Leadership Team and reported and scrutinised by IJB and the IJB Finance, Audit and Performance Committee.

Councillor David Wilson
Chair

Joanna MacDonald
Interim Chief Officer

Clackmannanshire & Stirling Integration Joint Board Finance, Audit and Performance Committee

25 June 2025

Agenda Item 9

Progress Update on Audit Recommendations

For Noting and Assurance

Paper Approved for Submission by:	Ewan Murray, Chief Finance Officer
Paper presented by	Ewan Murray, Chief Finance Officer
Author	Ewan Murray, Chief Finance Officer
Exempt Report	No

Directions	
No Direction Required	<input checked="" type="checkbox"/>
Clackmannanshire Council	<input type="checkbox"/>
Stirling Council	<input type="checkbox"/>
NHS Forth Valley	<input type="checkbox"/>

Purpose of Report:	To present the Finance, Audit and Performance Committee with a progress update on the recommendations contained within the Internal and External Audit Reports.
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Recommendations:	<p>The Finance, Audit and Performance Committee is asked to:</p> <ol style="list-style-type: none"> 1) Note and draw assurance from the progress updates on the recommendations contained within Audit Reports 2) Agree that future updates in relation to Internal Audit recommendations are incorporated within a single progress report covering the 24/25 Annual Government Statement Action Plan and management responses to the Annual Internal Audit Assurance Report. 3) Agree that the committee will receive progress reports in relation 2024/25 Annual Audit Report recommendations in due course.
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1. Background

- 1.1. Responsibility for leading on the provision of Internal Audit services to the IJB rotates on a 3 yearly basis between the Chief Internal Auditors of NHS Forth Valley, Clackmannanshire Council and Stirling Council.
- 1.2. The Chief Internal Auditor draws on audit capacity across the partners to discharge the Internal Audit Plan. From April 2025 the Chief Internal Auditor for the IJB will be the Audit Service Manager from Stirling Council.
- 1.3. This report reflects an action agreed at the February 2025 FAP Committee meeting.

2. Progress Report on Internal Audit Recommendations

- 2.1. The progress report on Internal Audit recommendations is appended to this report at Appendix 1.
- 2.2. The progress report illustrates where progress is complete or in progress along with an explanatory narrative. These updates should also be viewed in the context of:

- The current position in relation to a revised Integration Scheme
 - The ongoing dispute resolution process.
 - Significant levels of turnover in senior posts within the Health and Social Care Partnership
 - An ongoing focus on transformation, service and financial sustainability and aiming to balance performance and safe and effective service delivery through the vehicle of the 2025/26 to 2026/27 Delivery Plan.
- 2.3. Given the draft Annual Governance Statement and Internal Audit Annual Assurance reports presented on today's agenda incorporated updated action plans / management responses it is proposed these are combined into a single progress report on for future committees.
- 2.4. Progress reports in respect of recommendations from the Annual External Audit Report (AAR) were presented to the IJB Audit and Risk Committee in September and December 2024. A further update on these will be presented to the June committee meeting.

3. Progress Report on External Annual Audit Report (AAR) Recommendations

- 3.1. A progress report on AAR recommendations is appended at Appendix 2 to this report.
- 3.2. This serves as an up-to-date position prior to commencement of the annual external audit as referenced in the progress report on IJB Accounts.
- 3.3. When the 2024/25 statutory audit is complete management responses to recommendations will be provided and these will be the subject of further progress reports to the FAP Committee.

4. Appendices

Appendix 1 – Internal Audit Recommendations Progress Report

Appendix 2 – Annual (External) Audit Report Recommendations Progress Report

Fit with Strategic Priorities:	
Care Closer to Home	<input type="checkbox"/>
Primary Care Transformation	<input type="checkbox"/>
Caring, Connected Communities	<input type="checkbox"/>
Mental Health	<input type="checkbox"/>
Supporting people living with Dementia	<input type="checkbox"/>
Alcohol and Drugs	<input type="checkbox"/>
Enabling Activities	
Technology Enabled Care	<input type="checkbox"/>
Workforce Planning and Development	<input type="checkbox"/>
Housing and Adaptations	<input type="checkbox"/>
Infrastructure	<input type="checkbox"/>
Implications	
Finance:	There are no additional financial implications arising from this paper.
Other Resources:	No direct implications.
Legal:	IJBs are required to prepare and publish annual accounts and secure best value from use of public resources.
Risk and Mitigation:	Good governance arrangements including follow up of agreed audit recommendations assist in mitigating and managing risk.
Equality and Human Rights:	The content of this report does not require an EQIA. No equalities issues arise.
Data Protection:	The content of this report does not require a DPIA.
Fairer Duty Scotland	<p>Fairer Scotland Duty places a legal responsibility on public bodies in Scotland to actively consider ('pay due regard' to) how they can reduce inequalities of outcome caused by socio-economic disadvantage, when making strategic decisions.</p> <p>The Guidance for public bodies can be found at: Fairer Scotland Duty: guidance for public bodies - gov.scot (www.gov.scot)</p> <p>Please select the appropriate statement below:</p> <p>This paper does not require a Fairer Duty assessment.</p>

Progress Report on 23/24 Internal Audit Report Recommendations

Directions Policy – Presented to February 2024 A&R Committee

Rec No.	Recommendation	Reason for Recommendation	Agreed Management Action	Responsible Owner	Action Due	Progress Update June 2025
1.	<p>The HSCP should consider the identified areas that would enhance the Directions Policy when it is next reviewed and updated.</p> <p>The revised Directions Policy should be submitted to the IJB for approval.</p> <p>Report Paragraph: 3.7</p> <p>Grade 2</p>	To enhance the Directions Policy.	<p><u>Recommendation Accepted</u></p> <p>The identified areas for enhancement will be considered as part of the review of the Directions Policy.</p>	Chief Finance Officer	31 March 2024	<p>Complete</p> <p>Approved by IJB March 2024</p>
2.	<p>The identified areas of non-compliance with the Directions Policy should be addressed.</p> <p>Report Paragraph: 3.23</p> <p>Grade 1</p>	<p>To ensure compliance with the Directions Policy and Statutory Guidance.</p> <p>To provide sufficient strategic direction from the IJB to Clackmannanshire Council, Stirling Council, or NHS Forth Valley.</p> <p>To ensure that the IJB can hold the partner organisations to account for the implementation of a Direction.</p> <p>To confirm that the Directions Log fully and accurately reflects the status of all issued Directions.</p>	<p><u>Recommendation Accepted</u></p> <p>The intent is to refresh the IJB's approach to implementing the Directions Policy alongside a review of the Policy. This may further evolve over time.</p>	Chief Officer and Chief Finance Officer	31 March 2024	<p>Complete</p> <p>As evidenced by approach to IJB agenda with decisions for direction and log published as Appendix to Financial Report. Approach to monitoring performance will evolve further.</p>

Rec No.	Recommendation	Reason for Recommendation	Agreed Management Action	Responsible Owner	Action Due	Progress Update June 2025
3.	<p>Consideration is given to adopting the areas of good practice that are in place at other Integration Authorities.</p> <p>Report Paragraph: 3.24</p> <p>Grade 2</p>	<p>To ensure compliance with the Directions Policy.</p> <p>To provide greater transparency and accountability regarding the issue and implementation of Directions.</p> <p>To ensure that the IJB is fully aware of the current position of all issued Directions.</p>	<p><u>Recommendation Accepted</u></p> <p>Examples of good practice from other Integration Authorities will be reviewed.</p> <p>This will, however, be within the context of ensuring implementation of the local (reviewed) Policy.</p>	<p>Chief Officer and Chief Finance Officer</p>	<p>31 March 2024</p>	<p>Complete</p> <p>March 2024</p> <p>Practice from other areas was reviewed as part of review of directions policy.</p>

Annual Governance Statement Assurance Questionnaire

Presented to Audit and Risk Committee June 2024

3 RECOMMENDATIONS AND ACTION PLAN

Rec. No.	Recommendation	Reason for Recommendation	Agreed Management Action	Responsible Owner	Action Due	Progress Update February 2025
1.	<p>Annual Governance Statement Assurance Questionnaire</p> <p>Further review and update to the Scheme of Delegation.</p> <p>Report Paragraph: 3.7</p>	<p>To ensure the Scheme of Delegation is fit for purpose and business needs.</p>	<p><u>Recommendation Accepted</u></p> <p>It is acknowledged that the Scheme of Delegation will require review and update post completion of the Integration Scheme Review.</p>	<p>Chief Finance Officer and Chief Officer</p>	<p>31 March 2025</p>	<p>Incomplete</p> <p>Due to revised integration scheme not being approved by all partners.</p>
2.	<p>Annual Governance Statement Assurance Questionnaire</p> <p>Lack of effective succession planning.</p> <p>Report Paragraph: 3.9</p>	<p>To encourage new talent to work in the Health and Social Care Partnership so that best use can be made of individuals' skills and resources in balancing continuity and renewal.</p>	<p><u>Recommendation Accepted</u></p> <p>We will continue to focus on talent development and succession planning within service plans.</p>	<p>Heads of Service</p>	<p>31 March 2025</p>	<p>Partially complete</p> <p>To be further considered with next workforce plan update and service plans (reflection within 24/25 AGS recommendations)</p>

Rec. No.	Recommendation	Reason for Recommendation	Agreed Management Action	Responsible Owner	Action Due	Progress Update February 2025
3.	<p>Annual Governance Statement Assurance Questionnaire</p> <p>Align internal controls with external accountability framework.</p> <p>Action outstanding recommendations from Internal Audit reviews.</p> <p>Review and organise further training for staff with financial authority.</p> <p>Review and amend processes and tools in place to monitor major investment projects.</p> <p>Report Paragraph: 3.11</p>	To ensure the IJB has appropriate measures in place to demonstrate effective internal controls.	<p>Recommendation Accepted</p> <p>Further consider any required improvements to internal controls.</p> <p>Per management responses to Internal Audit memo.</p> <p>Integration Joint Board Chief Finance Officer will seek to agree plan with NHS Forth Valley Director of Finance and Council Chief Finance Officers to address training requirements.</p> <p>It should be acknowledged that focus requires to be delivery of transformation programmes to aide financial and service sustainability and significant new investment is unlikely. Therefore, focus in this respect will be on the implementation of the programme management approach detailed within the 2024/25 Revenue Budget.</p>	<p>Chief Finance Officer</p> <p>Chief Finance Officer</p> <p>IJB Chief Finance Officer, Councils Chief Finance Officers, NHS Forth Valley Director of Finance</p> <p>Chief Finance Officer and Heads of Service</p>	<p>31 October 2024</p> <p>31 March 2024</p> <p>31 Dec 2024</p> <p>31 July 2024</p>	<p>Complete</p> <p>Approaches developed including to directions and restructuring of IJB agendas to reflect accountabilities.</p> <p>Partially complete</p> <p>Considered within 24/25 AGS Action Plan</p> <p>Partially Complete</p> <p>Updated response in 24/25 recommendations</p> <p>Complete</p> <p>Reporting tools developed for programme and in place including PiDs and progress reporting formats.</p>

Rec. No.	Recommendation	Reason for Recommendation	Agreed Management Action	Responsible Owner	Action Due	Progress Update February 2025
4.	<p>Annual Governance Statement Assurance Questionnaire</p> <p>Work required on the performance management processes to support the organisation to achieve its strategic and operational objective.</p> <p>Review and refresh the following to align with plans in the 2024/25 Revenue Budget:</p> <ul style="list-style-type: none"> • Service Plan. • Team Plans; and • Individual objectives and personal development plans. <p>Review and arrange training so staff will have the knowledge, skills, and tools to support the achievement of services.</p> <p>Review and align individual plans to team and service objectives.</p> <p>Align non-financial resources with strategic aims.</p> <p>Report Paragraph: 3.14</p>	<p>To ensure capacity and capability of members and officers is developed. Also making the best use of Human Resources by taking an active and planned approach to meet responsibilities to staff.</p>	<p><u>Recommendation Accepted</u></p> <p>Service plans will be reviewed and updated by the Heads of Services.</p>	<p>HSCP Heads of Service (x3)</p>	<p>31 Dec 2024</p>	<p>Partially complete</p> <p>Updated management response within 24/25 AGS action plan.</p>

Rec. No.	Recommendation	Reason for Recommendation	Agreed Management Action	Responsible Owner	Action Due	Progress Update February 2025
5.	<p>Annual Governance Statement Assurance Questionnaire</p> <p>Incorporate the nine recommendations noted in External Audit's action plan into the Delivery Plan.</p> <p>Report Paragraph: 3.17</p>	To ensure external compliance and accountability.	<p><u>Recommendation Accepted</u></p> <p>An initial progress report was presented to the Integration Joint Board Audit and Risk Committee in February and further progress will be reported in June and September.</p>	Chief Finance Officer	30 September 2024	<p>Complete</p> <p>Slightly different approach was taken, and progress monitoring reports have been considered by Audit and Risk Committee.</p>
6.	<p>Annual Governance Statement Assurance Questionnaire</p> <p>Further develop the performance reporting to the Integration Joint Board taking into account External Audit recommendations.</p> <p>Report Paragraph: 3.19</p>	To ensure good quality information, advice, and support to deliver services effectively.	<p><u>Recommendation Accepted</u></p> <p>Updated performance framework being presented to the Integration Joint Board in June 2024.</p>	Head of Strategic Planning and Health Improvement	30 June 2024	<p>Complete</p> <p>Framework approved June 24. Integrated performance reporting will continue to evolve over time including consideration of target setting and monitoring.</p>
7.	<p>Annual Governance Statement Assurance Questionnaire</p> <p>Appropriately reflect the Internal Audit recommendations of the Directions review in the Annual Governance Statement.</p> <p>Report Paragraph: 3.21</p>	To ensure accurate reflection through the Annual Governance Statement.	<p><u>Recommendation Accepted</u></p> <p>Specific narrative included in the draft Annual Governance Statement.</p>	Chief Finance Officer	30 June 2024	<p>Complete</p> <p>Point will continue to be considered within AGS.</p>

Appendix 2 - Progress on Recommendations from Annual Audit Report (AAR)

2023/2024 Annual (External) Audit Report Action Plan

Note: Recommendations 1-5 were 2023/24 AAR recommendations and P1 and P3 refer to follow up from incomplete 2022/23 Recommendations.

Recommendation	Management Response	Update on Progress	Priority / Responsible Officer	Target Date	Revised Date
<p>1. Housing Aids and Adaptions The amount of costs incurred by Stirling Council in relation to Housing Aids & Adaptions should be reassessed and more transparent. Additionally, this should be within Stirling Council's Revenue Budget paper for future financial years and the IJB should include a section within future IJB Revenue Budget papers. This would provide deeper clarification and an enhanced audit trail.</p>	<p>Accepted – IJB and Stirling Council CFOs will review treatment and reporting to enhance transparency and understanding. Stirling Council and IJB will consider presentation within future revenue budget papers.</p>	<p>Partially complete: Some consideration was given within 25/26 Revenue Budget however there is scope for further improvement in future years to ensure consistency across both councils.</p>	<p>Low / IJB Chief Finance Officer & Council Chief Finance Officer</p>	<p>March 2025</p>	<p>March 2026</p>

<p>2. Financial Management – Financial Reporting Whilst a RAG rating has been implemented into the savings plan, further analysis relating to risks of non-achievement and illustration of current/future implications are lacking. This should be progressed to further develop and improve financial reporting.</p>	<p>Accepted – IJB CFO will consider within future financial reports to IJB / committee.</p>	<p>Complete Further detail now provided with IJB financial reports. Issue to be considered as part of 25/26 Delivery Plan monitoring.</p>	<p>Low / IJB Chief Finance Officer</p>	<p>January 2025</p>	<p>n/a</p>
<p>3. Financial Sustainability – budget setting The activity and cost model in relation to Set Aside arrangements should be developed. In addition to complying with legislation, this would identify areas where spending could be preserved and subsequently aid the savings requirement for the Set Aside for future years.</p>	<p>Accepted – Matter already being considered by both IJBs and NHS Forth Valley. Activity information requirements being accessed to develop model in line with legislative requirements. It is anticipated that this will allow arrangements to be progressed for 2025/26 financial year</p>	<p>In progress – Work has been undertaken supported by NHS FV information services on an appropriate dataset to support set aside arrangements. Discussions ongoing Falkirk IJB and NHS FV as to how best to use information as basis for identifying future improvements and how this aligns to improving unscheduled care work on whole system basis.</p>	<p>IJB Chief Finance Officer, Falkirk IJB CFO and NHS Forth Valley Director of Finance</p>	<p>April 2025</p>	<p>September 2025 (progress update)</p>

<p>4. Financial Sustainability- Medium to Long-term planning</p> <p>Currently, the IJB is not financially sustainable. A more comprehensive medium-term financial outlook post publication of the Scottish Government’s next Medium Term Financial Strategy and Medium-Term Financial Framework should be developed and implemented as soon as viably possible</p>	<p>Accepted – It is currently understood that Scottish Government will publish updated Medium Term Financial Strategy and Medium-Term Financial Framework for Health and Social Care by end of 2024. An updated medium-term financial outlook will be developed aligned to these publications and financial planning assumptions of the constituent authorities of the IJB.</p>	<p>Complete – A medium term financial plan was incorporated within the Revenue Budget. This will be further reviewed post publication of the Scottish Governments Medium Term Financial Strategy to be published in June 2025.</p>	<p>IJB Chief Finance Officer</p>	<p>March 2025</p>	
<p>5. Financial Sustainability – reserves</p> <p>The utilisation of reserves is not sustainable and places</p>	<p>Accepted – To be considered as part of the updated medium term financial outlook. It should, however, be understood that re-establishing a prudential level of general</p>	<p>In progress – FAP Committee requested further discussion on reserves at June 2025 meeting. The extant reserves policy/strategy maintains an aspirational reserves position however it is difficult to see how this could be achieved whilst</p>	<p>IJB Chief Finance Officer</p>	<p>March 2025</p>	<p>March 2026 (for further review within 2026/27 Revenue Budget)</p>

<p>itself and its partner bodies at risk. Although this is a common theme for IJBs across the country, reserves levels should be actively monitored and being applied for the purposes intended. A plan should also be devised as to how the reserves position will be improved.</p>	<p>reserves will be extremely challenging.</p>	<p>delivering statutory services at this current point in time.</p>			
<p>P1. Lack of preparation for the IJB audit</p> <p>2023/24 update: Similar to our recommendation last year, this should be implemented before</p>	<p>Additional Update The Finance Working Group will continue to review how year-end accounts and audit planning can be improved and work with audit teams to improve efficiency. This will require ongoing input</p>	<p>In progress / Ongoing The FAP Committee are presented with and report in relation to delay to unaudited accounts at June 25 meeting. Deloitte have notified revised timescale for commencement of audit and detailed planning will continue meantime.</p>	<p>IJB Chief Finance Officer / NHS FV Director of Finance/ Council Chief Finance Officers.</p>	<p>December 2024 – September 2025</p>	<p>September 2025</p>

<p>the start of the 2024/25 audit. This would ensure that the IJB would be in a positive position to collate information in time for the start of the audit.</p>	<p>from external audit teams also.</p>				
<p>P3. Transformation Tools should be developed to consistently track the benefits achieved (both financial and outcomes) from the transformational change to demonstrate that it is achieving the desired outcomes.</p>	<p>Previous Update In progress The IJB approved the 24/25 Revenue Budget on 27 March 2024. This included commitment to a programme management approach to support the approved efficiency and savings programme forming the key elements of the transformation and sustainability plan. To support this, the interim Chief Officer and Chief Finance Officer have established monthly progress review meetings and reporting tools.</p> <p>Each element of the transformation programme requires a Business Justification Case (also referred to as a Project</p>	<p>Complete A performance dashboard has been developed by the HSCP Performance Team to support monitoring of the transformation programme and support the monthly transformation progress meetings.</p> <p>Whilst this has some limitations including particularly the limitations of the functionality of adult social care recording systems and will require further development over time there is now a tool in place.</p>	<p>Chief Officer and Chief Finance Officer</p>	<p>September 2024</p>	

	<p>Initiation Document or PiD) and monthly highlight reporting. There is a requirement for the sophistication and quality of reporting to continue to develop over time, however the reporting tools are designed to be relatively concise and quick to complete.</p>				
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Clackmannanshire & Stirling Integration Joint Board Finance, Audit and Performance Committee

25 June 2025

Agenda Item 10

Progress Report on IJB Accounts

For Discussion and Approval

Paper Approved for Submission by:	Ewan Murray, Chief Finance Officer
Paper presented by	Ewan Murray, Chief Finance Officer
Author	Ewan Murray, Chief Finance Officer
Exempt Report	No

Directions	
No Direction Required	<input checked="" type="checkbox"/>
Clackmannanshire Council	<input type="checkbox"/>
Stirling Council	<input type="checkbox"/>
NHS Forth Valley	<input type="checkbox"/>

Purpose of Report:	To update the Finance, Audit and Performance (FAP) Committee on the production of the IJBs unaudited accounts, implications for the Annual (External) Audit Plan and seek approval to hold a special meeting of the FAP Committee before the end of August 2025.
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Recommendations:	<p>The Finance, Audit and Performance Committee is asked to:</p> <ol style="list-style-type: none"> 1) Note the background and regulatory requirements in respect of IJB accounts 2) Consider and Discuss the proposed approach. 3) Approve that a special meeting of the Finance, Audit and Performance Committee is held by 31 August 2025 to consider the unaudited accounts.
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1. Background and Local Authority Accounts (Scotland) Regulations 2014

- 1.1 As a Section 106 Public Body the IJB the regulations governing the IJBs accounts are the Local Authority Accounts (Scotland) Regulations 2014. The regulations make a number of provisions in respect of the consideration of the unaudited and audited annual accounts. It will not be possible to comply with all aspects of the regulations. Where the provisions of the regulations set out below reference a local authority this would apply to the IJB.

The provisions of the regulations include that:

- The annual accounts must be submitted to the auditor no later than 30th June following the financial year to which the Annual Accounts relate (it will not be possible to meet this requirement).
- A local authority or a committee of the authority whose remit includes audit or governance functions must meet to consider the unaudited Annual Accounts no later than 31st August (to comply with this requirement it is proposed a special meeting of the IJB Finance, Audit and Performance Committee is proposed to be held to consider the unaudited accounts during August 2025).
- A local authority must given public notice of the right of interested persons to inspect and object to its accounts. The date specified in the notice must

- be at least 14 days after the date that notice is published but cannot be later than 1 July (it will not be possible to meet this requirement).
- The local authority, or a committee of that authority whose remit includes audit or governance functions, must
 - o Meet to consider the audited Annual Accounts; and
 - o Aim to approve those accounts for signature no later than 30 September (it is unlikely that this requirement can be met).
 - The Local Authority is required to publish their audited accounts by 31 October (the ability to meet this will be dependent on the progress of the audit)
 - There is a non-statutory target audit completion date of 30 September for local authorities and there is an onus on both authorities and auditors to ensure that this target is met.

2. Proposed Approach

- 2.1. The current position is clearly unsatisfactory and Chief Finance Officers will meet in due course to discuss how this can be avoided in future years.
- 2.2. Meantime there is a need for a pragmatic approach to reach a position where all Chief Finance Officers of the constituent authorities can provide assurance on IJB transactions and financial position to allow completion of the production of the annual accounts at the earliest possible point.
- 2.3. To this end the following is proposed with estimated dates:
 - A notice will be placed on the IJB website regarding delay to accounts (similar to during Covid)
 - Further work will be completed to permit closure and assurance on the IJB accounts and permit completion of production of the IJB accounts (late July)
 - Production of IJB unaudited accounts and submission to External Audit (1st week in August)
 - Publication of unaudited accounts for public inspection (2nd week August)
 - A special FAP Committee meeting will be scheduled late August to consider IJB Unaudited accounts, Monitoring of Directions and update on external audit and proposed timing of Audited Accounts. The requirement for a further special FAP Committee will be considered at this point in time.
 - The IJB Chief Finance Officer and HSCP Management Accountant will endeavour to progress the production of the IJBs Unaudited Accounts as soon as possible and continue to liaise the IJBs External Auditors on the detailed audit programme. At this point Deloitte have indicated the audit will commence in the first week in August.

3. Conclusions

- 3.1 It is acknowledged that the current position in terms of financial year end, unaudited accounts production is unsatisfactory. The IJB Chief Finance Officer, Council Chief Finance Officers and NHS Board Director of Finance will

discuss the learning points and how this situation can be avoided in future years as soon as practicable.

3.2 Meantime work will continue to finalise matters and produce the unaudited accounts as soon as possible.

3.3 It is expected that the IJBs External Auditor will comment on these matters within the Annual Audit Report.

4. Appendices

4.1. None

Fit with Strategic Priorities:	
Care Closer to Home	<input type="checkbox"/>
Primary Care Transformation	<input type="checkbox"/>
Caring, Connected Communities	<input type="checkbox"/>
Mental Health	<input type="checkbox"/>
Supporting people living with Dementia	<input type="checkbox"/>
Alcohol and Drugs	<input type="checkbox"/>
Enabling Activities	
Technology Enabled Care	<input type="checkbox"/>
Workforce Planning and Development	<input type="checkbox"/>
Housing and Adaptations	<input type="checkbox"/>
Infrastructure	<input type="checkbox"/>
Implications	
Finance:	There are no known additional resource implications arising from this paper.
Other Resources:	This report details implications for the IJBs External Audit and Annual Audit Plan which was considered by the Finance, Audit and Performance Committee on 19 February 2025.
Legal:	The production, audit and publication of statutory accounts is a legislative requirement for IJBs.
Risk and Mitigation:	Chief Finance Officers will meet in due course to discuss lessons learned and how the risk of these issues being replicated in future years can be mitigated.
Equality and Human Rights:	The content of this report does not require an EQIA. No equalities issues arise.
Data Protection:	The content of this report does not require a DPIA.
Fairer Duty Scotland	<p>Fairer Scotland Duty places a legal responsibility on public bodies in Scotland to actively consider ('pay due regard' to) how they can reduce inequalities of outcome caused by socio-economic disadvantage, when making strategic decisions.</p> <p>The Guidance for public bodies can be found at: Fairer Scotland Duty: guidance for public bodies - gov.scot (www.gov.scot)</p> <p>Please select the appropriate statement below:</p> <p>This paper does not require a Fairer Duty assessment.</p>

Clackmannanshire & Stirling Integration Joint Board Finance, Audit and Performance Committee

25 June 2025

Agenda Item 11

Best Value Checklist

For Assurance

Paper Approved for Submission by:	Ewan Murray, Chief Finance Officer
Paper presented by	Ewan Murray, Chief Finance Officer
Author	Ewan Murray, Chief Finance Officer
Exempt Report	No

Directions	
No Direction Required	<input checked="" type="checkbox"/>
Clackmannanshire Council	<input type="checkbox"/>
Stirling Council	<input type="checkbox"/>
NHS Forth Valley	<input type="checkbox"/>

Purpose of Report:	To present a Best Value Checklist to the Finance, Audit and Performance Committee to draw assurance on Best Value arrangements for the IJB.
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Recommendations:	<p>The Finance, Audit and Performance Committee is asked to:</p> <p>1) Note and draw assurance from the best value checklist appended to this report.</p>
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1. Background

- 1.1 Integration Joint Boards have a duty to secure Best Value under the as prescribed in Part 1 of the [Local Government in Scotland Act 2003](#).
- 1.2 Audit Scotland published a guidance note and checklist on Best Value in IJBs in March 2018. This has been used as the basis for compiling the BV Checklist appended to this report.

2. Considerations

- 2.1. The Audit Scotland checklist appended to there guidance note has been used as a basis to present a Best Value report to the committee. Many IJBs across Scotland use this approach.
- 2.2. The checklist has been compiled by the Chief Finance Officer taking due account of the papers presented to the IJB during 2024/25 including the demonstrable progress in implementing the Directions policy and the prioritisation of Decisions with Direction within IJB agendas. This demonstrates that the IJB is being supported to discharge one of their core functions of commissioning services in line with the Strategic Commissioning Plan priorities through use of directions.
- 2.3. It is proposed that this is a suitable and proportionate approach to providing assurance on Best Value arrangements at this point in time acknowledging the further progress and improvements required as part of a culture of continuous improvement.

3. Appendices

Appendix 1 – Best Value Checklist.

Fit with Strategic Priorities:	
Care Closer to Home	<input type="checkbox"/>
Primary Care Transformation	<input type="checkbox"/>
Caring, Connected Communities	<input type="checkbox"/>
Mental Health	<input type="checkbox"/>
Supporting people living with Dementia	<input type="checkbox"/>
Alcohol and Drugs	<input type="checkbox"/>
Enabling Activities	
Technology Enabled Care	<input type="checkbox"/>
Workforce Planning and Development	<input type="checkbox"/>
Housing and Adaptations	<input type="checkbox"/>
Infrastructure	<input type="checkbox"/>
Implications	
Finance:	There are no known additional resource implications arising from this paper.
Other Resources:	No direct implications.
Legal:	IJBs have a statutory duty to secure Best Value under the Local Government in Scotland Act 2003.
Risk and Mitigation:	No direct implications.
Equality and Human Rights:	The content of this report does not require an EQIA. No equalities issues arise.
Data Protection:	The content of this report does not require a DPIA.
Fairer Duty Scotland	<p>Fairer Scotland Duty places a legal responsibility on public bodies in Scotland to actively consider ('pay due regard' to) how they can reduce inequalities of outcome caused by socio-economic disadvantage, when making strategic decisions.</p> <p>The Guidance for public bodies can be found at: Fairer Scotland Duty: guidance for public bodies - gov.scot (www.gov.scot)</p> <p>Please select the appropriate statement below:</p> <p>This paper does not require a Fairer Duty assessment.</p>

Appendix 1 – Best Value auditor prompts

No.	Prompt	IJB response
1.	Who do you consider to be accountable for securing Best Value in the IJB?	<p>Whilst the Chief Finance Officer and Chief Officer have specific accountabilities with regard to best value the culture engendered across the partnership is that everyone contributes to securing Best Value.</p> <p>The IJB does not directly enter into contracts, instead it is responsible for commissioning through use of directions thus directing the constituent authorities to procure services on the IJBs behalf within the principles of Best Value. Associated transactions require to comply with SFIs/Financial Regulations of the respective authority.</p> <p>This does not remove the accountability within the constituent authorities for their own responsibilities under Best Value legislation.</p>

<p>2.</p>	<p>How do you receive assurance that the services supporting the delivery of the strategic plan are securing Best Value?</p>	<p>There are current arrangements for monitoring performance and progress against delivery of strategic objectives and progress against the priorities within the Strategic Commissioning Plan. This is achieved through various for and mechanisms including:</p> <ul style="list-style-type: none"> • IJB meetings • The Finance, Audit and Performance Committee (formerly the roles of the Audit and Risk and Finance and Performance Committees) • Clinical and Care Government Framework • Strategic Planning Group • Locality Planning Groups • Senior Leadership Team and Senior Management and Leadership Team • Corporate Managements Team of the constituent authorities. <p>The approach to Best Value within the partnership is set out in the Annual Performance Report which includes a BV statement based on extant national guidance.</p> <p>Performance and Financial reporting are routine agenda items for the management teams and committees.</p> <p>The IJBs Directions policy has been reviewed and refreshed and revised IJB governance arrangements were focused on supporting the IJBs core role of commissioning through use of directions during 2024/25. This is evidenced by:</p>
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3.	Do you consider there to be sufficient buy-in to the IJB's longer term vision from partner officers and members?	<ul style="list-style-type: none"> • Increased use of and detail within directions • Restructuring of the IJBs agenda to prioritise and highlight decisions with direction. <p>It is collectively understood that further progress requires to be made in integration arrangements and supporting the vision for Health and Social Care in Clackmannanshire and Stirling. Engagement in the review of the Strategic Commissioning Plan during 2025 is key to achieving this.</p> <p>There is good engagement in the Strategic Planning Group from partner officers and linkages with community planning partnerships.</p> <p>Uncertainty as to the commitment to the existing model of integration is a clear and acknowledged risk to the buy-in.</p>
4.	How is value for money demonstrated in the decisions made by the IJB?	Papers presented to the IJB for decision include financial assessment and consideration of relationship to Strategic Commissioning Plan Priorities, performance on outcomes and risk.
5.	Do you consider there to be a culture of continuous improvement?	<p>Yes, however further improvement is required in both planning and closing the implementation gap so that service and financial sustainability can be balanced. The 2025/26 to 2027/28 Delivery Plan seeks to transform services to achieve this.</p> <p>There is a need for improvement in systems and data to inform continuous improvement. Some of this improvement will be over the medium term e.g. through planned procurement of replacement social care recording systems.</p>

6.	<p>Have there been any service reviews undertaken since establishment – have improvements been identified? Is there any evidence of improvements in services and/or reductions in pressures as a result of joint working?</p>	<p>Yes, though the review of evidence for the Annual Governance Statement highlights a continuing need to improve service planning.</p> <p>The IJBs agenda over the last year highlights several areas of service review including Palliative and End of Life Care and Mental Health and Wellbeing.</p>
7.	<p>Have identified improvement actions been prioritised in terms of those likely to have the greatest impact?</p>	<p>The Strategic Commissioning Plan identifies the key priorities for the partnership and the business of the IJB is demonstrably aligned to these priorities via the format of the IJB papers including priority given to decisions with direction on IJB agendas.</p> <p>The 2025/26 to 20247/28 Delivery Plan is the vehicle that aims to balance service and financial sustainability in a manner that is clearly aligned to achieving demonstrable progress on pursuance of the Strategic Commissioning Plan priorities.</p>

<p>8.</p>	<p>What steps are taken to ensure that quality of care and service provided is not compromised as a result of costs saving measures?</p>	<p>Decisions are made based on a business case approach including assessment of impacts on service users, safety, resources and equalities. Policy changes require Equalities Impact Assessments to be prepared and published.</p> <p>The IJBs arrangements are also supported by a Clinical and Care Governance Framework and Risk Management arrangements. The Clinical and Care Governance Framework was reviewed and reformed in March 2024 to improve assurance in relation to quality of care.</p> <p>The IJB also have direct access to professional and clinical advice to support decision making and the Interim Chief Officer has established a Professional Advisory Group(PAG) to review and advise on IJB papers which incorporate significant service change. The PAG is independent from the statutory officers of the IJB.</p> <p>Medium Term planning will continue to further consider sustainability and prioritisation issues and also, issues around potential disinvestment. A review of the Strategic Commissioning Plan will be undertaken during 2025/26 and there will be public engagement on both this and the IJB budget as part of the process.</p> <p>The Delivery Plan is supported by a program management approach and a performance dashboard to aide monitoring of whole system performance.</p>
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<p>9.</p>	<p>Is performance information reported to the board of sufficient detail to enable value for money to be assessed?</p>	<p>Yes, the IJB receives detailed performance reporting however availability of information and limitations of management information systems remains a significant challenge.</p> <p>The IJB was presented with a revised Performance Framework at the June 2024 meeting though further work is required in agreeing targets and monitoring progress.</p> <p>The IJB is presented with and approves an Annual Performance Report (APR) in line with legislative requirements which is also used to report to the constituent authorities. The content follows national guidance and includes reporting on the 9 National Health and Wellbeing Outcomes as far as available data allows.</p>
<p>10.</p>	<p>How does the IJB ensure that management of resources (finances, workforce etc.) is effective and sustainable?</p>	<p>This is supported in various manners across the partnership through financial planning, financial reporting, performance reporting, workforce planning and the Strategic Risk Register.</p> <p>The IJB 2025/26 Indicative Revenue Budget incorporated a risk assessment and a 2025/26 to 2027/28 Delivery Plan and Medium-Term Financial Plan.</p> <p>The IJB receives a annual progress report on the Integration Workforce plan and improvement plans highlight a need to focus on recruitment and retention of new talent.</p>

Clackmannanshire & Stirling Integration Joint Board Finance, Audit and Performance Committee

25 June 2025

Agenda Item 12

Review of Workplan 2025/2026

For Noting and Approval

Paper Approved for Submission by:	Ewan Murray, Chief Finance Officer
Paper presented by	Ewan Murray, Chief Finance Officer
Author	Lesley Fulford, Senior Planning Manager
Exempt Report	No

Directions	
No Direction Required	<input checked="" type="checkbox"/>
Clackmannanshire Council	<input type="checkbox"/>
Stirling Council	<input type="checkbox"/>
NHS Forth Valley	<input type="checkbox"/>

Purpose of Report:	Committee consideration and approval of revised workplan for the Finance, Audit and Performance Committee 2025/26.
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Recommendations:	<p>The Finance, Audit and Performance Committee is asked to:</p> <ol style="list-style-type: none"> 1) Note the content of the paper. 2) Consider and approve the proposed reviewed workplan for 2025/26 set out in appendix 1.
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1. Background

- 1.1. Section 22 of the IJBs Standing Orders allows for Committees to be established. At the IJB on 7 August 2024, the board approved introducing one committee from January 2025 and removing the previous two Committees (Audit and Risk and Finance and Performance).

2. 2025/2026 Finance, Audit and Performance Committee

- 2.1. The Integration Joint Board approved the proposed Finance, Audit and Performance (FAP) Committee meeting dates in table 1 for the year 2025/26.

Table 1 – Proposed Meeting Dates

Date	Time
Wednesday 25 June 2025	1000 – 1200
Wednesday 17 September 2025	1400 – 1700
Wednesday 3 December 2025	1400 – 1700
Wednesday 18 February 2026	1400 – 1700

3. Workplan

- 3.1. The FAP workplan was approved in October 2024 and this can be accessed [here](#).
- 3.2. Appendix 1 sets out a proposed revised FAP workplan for consideration by Committee members.

3.3. Rationale for these changes are as follows:

- To take account of experience since establishment of the Committee.
- The workplan should be a live document subject to regular review and revision.
- Some papers require to move between meeting cycles from time to time.
- There are current challenges with statutory accounts production and impact on the external audit plan.
- The Chair and Vice Chair may wish to request matters to be brought to the Committee.
- Current capacity restraints are not enabling full progress on the workplan as initially set out.

4. Conclusions

- 4.1. The revised workplan presented represents the proposed priorities for the remainder of the current financial year.
- 4.2. A proposed 2026/27 workplan will be presented to the Committee on 18 February 2026.

5. Appendices

Appendix 1 – Revised Workplan 2025/26

Fit with Strategic Priorities:	
Prevention and Early Intervention	<input type="checkbox"/>
Independent Living through Choice and Control	<input type="checkbox"/>
Achieve Care Closer to Home	<input type="checkbox"/>
Supporting People and Empowering Communities	<input type="checkbox"/>
Reducing Loneliness and Isolation	<input type="checkbox"/>
Enabling Activities	
Medium Term Financial Plan	<input type="checkbox"/>
Workforce Plan	<input type="checkbox"/>
Commissioning Consortium	<input type="checkbox"/>
Transforming Care	<input type="checkbox"/>
Data and Performance	<input type="checkbox"/>
Communication and Engagement	<input type="checkbox"/>
Implications	
Finance:	Financial and performance reporting as well as reporting on the transformation programme will be key features of the reporting to the IJB and Committees.

Other Resources:	Time commitment from Board members to prepare for and attend the Committee meetings. Officer and support services resources in preparation and consultation on business brought forward.
Legal:	Will provide the IJB and Committees with an opportunity to discuss business, take decisions and agree directions (where required).
Risk & mitigation:	The proposed schedule is significantly more comprehensive and complex than has been previously in place. This will be challenging to deliver within existing capacity.
Equality and Human Rights:	The content of this report <u>does not</u> require an EQIA
Data Protection:	The content of this report <u>does not</u> require a DPIA
Fairer Duty Scotland	<p>Fairer Scotland Duty places a legal responsibility on public bodies in Scotland to actively consider ('pay due regard' to) how they can reduce inequalities of outcome caused by socio-economic disadvantage, when making strategic decisions.</p> <p>The Guidance for public bodies can be found at: Fairer Scotland Duty: guidance for public bodies - gov.scot (www.gov.scot)</p> <p>Please select the appropriate statement below:</p> <p>This paper <u>does not</u> require a Fairer Duty assessment</p>

Appendix 1 – Proposed Revised Workplan 2025 – 26

	25 June 2025	17 September 2025	3 December 2025	18 February 2026
Accounts				
Consideration of Unaudited Accounts, including Annual Governance Statement.	AGS only (special Committee consideration for accounts)			
Publication of Annual Accounts				
Consideration and Scrutiny of Audited Accounts		Yes (dependent on audit timing – may require special Committee)		
Finance				
Topic specific deep dives in delegated integration functions. e.g. ADP. As required.	Yes	Yes	Yes	Yes
Review of Draft Annual IJB Business Case		Yes		
Performance & Policy				
Top specific deep dives on performance of integration functions, as required		Yes	Yes	Yes
Draft Annual Performance Report		Yes		
Draft Policies as required		Yes	Yes	Yes
Draft Quarterly Performance Reports		Yes	Yes	Yes
Governance				
Review of Governance Frameworks, e.g. scheme of delegation as required		Yes		Yes

Progress reports on governance improvement and audit recommendations	Yes	Yes	Yes	Yes
Review of Draft Annual Governance Statement	Yes			
Best Value from Integration Functions	Yes			
Risk				
Risk Management Strategy – as and when required				
Strategic Risk Register updates (Quarterly)	To IJB	Yes	Yes	Yes
Internal Audit				
Audit Plan				Yes
Internal Audit Progress Update	Yes – exempt	Yes	Yes	Yes
Audit Annual Report & Assurance Statement	Yes			
Directions				
Monitor performance on directions	Yes	Yes	Yes	Yes
External Audit				
Audit Plan				Yes
Annual Report		Yes		
National Reports as Appropriate	Yes	Yes	Yes	Yes
Other items				
Terms of Reference (Annually)				Yes
Assurance Statement (Annually)				Yes
Progress or Specific Governance Related Report	Yes	Yes	Yes	Yes

Clackmannanshire & Stirling Integration Joint Board Finance, Audit and Performance Committee

25 June 2025

Agenda Item 13

Relevant National Reports:

General Practice

Local Government Budgets 2024/25

For Discussion and Noting

Paper Approved for Submission by:	Ewan Murray, Chief Finance Officer
Paper presented by	Ewan Murray, Chief Finance Officer
Author	Ewan Murray, Chief Finance Officer
Exempt Report	No

Directions	
No Direction Required	<input checked="" type="checkbox"/>
Clackmannanshire Council	<input type="checkbox"/>
Stirling Council	<input type="checkbox"/>
NHS Forth Valley	<input type="checkbox"/>

Purpose of Report:	To bring relevant national reports to the attention of the Finance, Audit and Performance (FAP) Committee for noting.
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Recommendations:	<p>The FAP Committee is asked to:</p> <ol style="list-style-type: none"> 1) Note the reports and their direct relevance to the IJB and partners. 2) Note the key messages and recommendations from the reports.
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1. Background

- 1.1. The extant terms of reference for the Committee states that any national reports relevant to the context or responsibilities of the IJB will be brought to the attention of the Committee.
- 1.2. Since the last meeting of the IJB FAP Committee the following relevant national reports have been published
 - Audit Scotland: General Practice – Progress since the 2018 General Medical Services contract [General practice: Progress since the 2018 General Medical Services contract](#)
 - Audit Scotland Briefing: Local Government Budgets 2025/26 [Briefing: Local government budgets 2024/25](#)

Given the IJBs funding comes directly from NHS Boards and Local Authorities, including passthrough funding from Scottish Government for IJBs, these reports are directly relevant to the funding environment and pressures faced. General Practice sits within NHS Services delegated to the IJB.

2. Key Messages and Recommendations - NHS in Scotland 2024: Finance and Performance

- 2.1. Key messages from Audit Scotland – General Practice – Progress since the 2018 General Medical Services contract are:
 - 1 General practice plays a critical role in Scotland's ambition to improve the population's health and keep people at home and out of hospitals. However, the pressure on general practice is increasing because of a growing and

ageing population, enduring and widening health inequalities, and longer waits for hospital care.

Compared to 2017, there are also fewer whole-time equivalent GPs, and the Scottish Government's commitment to increase the number of GPs by 800 is unlikely to be met by 2027.

- 2 There is uncertainty about the strategic direction of general practice. The 2018 General Medical Services (GMS) contract aimed to improve the sustainability of general practice and access to care. However, several commitments that were intended to be completed by 2021 have still not been fully implemented. The expansion of wider primary care teams to support general practice, to include more nurses, pharmacists, physiotherapists and other specialists, has been slower than planned. And people report finding it more difficult to access care. The Scottish Government has not been transparent enough about the progress made since 2018, and has not set out whether, or when, it will implement the outstanding GMS contract commitments.
 - 3 The Scottish Government has committed to prioritising primary care but there is a lack of clarity about investment in general practice in the medium term. In 2023/24, the Scottish Government spent £1.09 billion on general practices. However, direct spending on general practice as a proportion of overall NHS spending decreased from seven per cent to 6.5 per cent between 2017/18 and 2023/24. Direct spending on general practice has also started to decrease in real terms, and between 2021/22 and 2023/24 it fell by six per cent, exacerbating pressures on practices.
 - 4 The data that the Scottish Government needs to make informed decisions on general practice planning and investment is inadequate. This is a long-standing issue. There remains a lack of robust information about general practice demand, workload, workforce and quality of care. This limits the Scottish Government's ability to know whether the changes introduced by the 2018 GMS contract represent value for money or have improved patient care. The Scottish Government is taking steps to improve the availability and quality of data from general practice. But longer-term work will be required to improve the consistency of data recording to support evidence-based national planning.
- 2.2. The Recommendations set out within the report were for Scottish Government.

The Scottish Government should:

- As part of its work on a refreshed vision for primary care, publish a clear delivery plan for general practice by the end of 2025 that includes specific actions, timescales and costs. This should clarify whether and when it will implement the outstanding commitments from the 2018 General Medical Services contract, and include:
 - how it will work with Health and Social Care Partnerships (HSCPs) and the Scottish GP Committee to improve the way that general practice teams and multidisciplinary teams work together to provide services. This should focus on improving communication, collaboration, data

sharing and clarity about responsibilities across the primary care workforce (paragraph 65).

- a medium-term funding trajectory for general practice to provide certainty and enable better-informed financial and workforce planning (paragraph 44).
- identifying appropriate financial and administrative support for GP clusters, and clear priorities for improvement (paragraph 71).
- how it intends to better support general practices to contribute to tackling health inequalities (paragraph 77).
- robust governance arrangements for how the Scottish Government will monitor, evaluate and publish progress, identifying what data is needed and how data will be obtained and validated (paragraph 42).
- Over the next six months, carry out scenario planning, based on interim findings of the phased investment programme to inform its response to this programme of work (paragraph 39).
- Within one year, work with Public Health Scotland and HSCPs to publish total spending across Scotland on the six priority services in their public financial reporting (paragraph 34).
- Within one year, work with HSCPs, GP leads and the General Practice Managers Network to develop a communications plan to increase public understanding of how and why general practice is changing. This should include targeted national and local elements and align with the refreshed vision for primary care (paragraph 58).
- Within one year, set out its plans, including how progress will be monitored, for moving towards a model where GPs will no longer be expected to provide their own premises as part of its new approach to infrastructure planning and investment across NHS Scotland (paragraphs 102, 105 and 106).

3. Key Messages: Briefing Local Government Budgets 2025/26

3.1. Key Messages from the report were:

- 1 Scottish Government funding to local government in 2025/26 is increasing by six per cent in real terms, to £15.2 billion. However, local government continues to face recurring pressures in excess of funding uplifts, such as inflation, annual pay deals and growing demand for services, and most of the increase will be used to deliver previously agreed national commitments. Alongside this, councils are facing additional costs related to the increase in employer's National Insurance contribution rates, and investing in new buildings and assets is increasingly expensive.

- 2 At a time of constrained public finances and growing demand, not all cost increases can be met from central government funding and councils need to take local action to achieve budget balance over the short and medium term. At the time of setting their budgets, councils identified a difference of £647 million between anticipated expenditure and the funding and income they receive (the 'budget gap'). Councils are required to set balanced budgets and have agreed a range of actions to achieve this and close this gap. This includes all councils raising council tax rates, by between six and 15.6 per cent, identifying savings, drawing on reserves and increasing or introducing charges for accessing some services.
- 3 Councils continue to make savings across a broad range of services to address financial challenges and have been successful in identifying recurring measures that will help to address underlying pressures. Despite this, councils are still forecasting that more will need to be done in future years to achieve financial sustainability given their projected increases in both costs and level of service demand.
- 4 Councils' budget-setting processes vary, partly reflecting differences in organisational structures and local priorities, and this makes it difficult to compare information across Scotland. There remains an underlying issue with the transparency of how budget information is being presented.
- 5 Most councils engaged communities in some way to make decisions on their budgets for 2025/26, but there were variations in the depth and level of this engagement. By improving the accessibility and transparency of how they are reporting budget information, councils can better inform and include their local communities in making the choices required to address ongoing financial challenges.

4. Conclusions

- 4.1. The key messages and recommendations from the relevant reports should be considered in future planning and delivery of the delegated integration functions under the auspices of the IJB. There is a requirement to consider the key messages on Local Government budget in the IJB planning also particularly how we engage with communities to make decisions and improving accessibility and transparency of budget information.

5. Appendices

None – hyperlinks are provided to the respective reports rather than appending reports as previously agreed with the committee.