Fife Health & Social Care Partnership
Supporting the people of Fife together

CONFIRMED MINUTE OF MEETING OF THE AUDIT AND ASSURANCE COMMITTEE FRIDAY 11 SEPTEMBER AT 10.00 AM (VIA MS TEAMS)

Present: Dave Dempsey (Chair), Fife Council (DD)
Cllr David Alexander, Fife Council (DA)
Colin Grieve, NHS Fife (CG)

Attending: Tracy Hogg, Chief Finance Officer (Fife H&SCP) (TH)
Jocelyn Lyall, Chief Internal Auditor (NHS Fife) (JL)
Avril Sweeney. Manager, Risk Compliance (H&SCP) (AS)
Barry Hudson, (NHS Fife) (BH)
Amy Hughes, External Auditor (AH)

Apologies: Lynne Garvey, Director of Health & Social Care Partnership (LG)
John Kemp, NHS (Vice Chair) Non-Executive Board Member (JK)
Pamela Redpath, Service Manager, Audit & Risk Management (PR)

		ACTION
1.	**WELCOME AND APOLOGIES** Dave Dempsey welcomed everyone to the meeting. Apologies were noted as above.	
2.	**MINUTES OF PREVIOUS MEETING** The minutes of the previous meeting were approved.	
3.	**ACTION LOG** Action Note discussed and approved.	
4/7	**ACCOUNTS ANNUAL & FINANCIAL STATEMENT** The Committee was advised that the Annual Accounts had previously been presented at the June Audit & Assurance Committee meeting and endorsed for submission to undertake the external audit process. It was reported that the audit had now been completed and that the Committee was being presented with the final audited Annual Accounts. Members noted that only minimal amendments had been made following the audit, comprising a presentational adjustment within the debtors and creditors disclosures and minor revisions to	

	the management commentary. No significant changes requiring the Committee's attention were highlighted. The Committee was advised that agenda item 7, presented by Amy Hughes, would provide further detail on the outcome of the audit. Subject to consideration of that report, Members were asked to approve the Annual Accounts for submission to the IJB meeting on 30 September for formal signing. **ANNUAL AUDIT REPORT** Amy Hughes presented the Annual Audit Report, highlighting that an unqualified audit opinion will be issued for 2025/26. Consistent with previous years. Members were advised that audit fieldwork had been completed and the only standard completion procedures remained before the accounts could be signed. Amy confirmed that the audit risk assessment remained unchanged from the Audit Plan presented earlier in the year and that all significant risk areas had been satisfactorily addressed. As part of the wider scope of public audit, it was reported that the IJB had appropriate arrangements in place in respect of financial sustainability, financial management, vision, leadership and governance, and the use of resources to improve outcomes. Members noted that the Amber assessment for financial sustainability reflected the challenging national financial environment facing public sector organisations and did not indicate any weakness in the IJB's financial arrangements. The Committee further noted the findings of the audit review of fairness and equality, which concluded that the IJB demonstrates a clear commitment to equality and fairness through its strategic planning and service delivery arrangements. No issues or recommendations for improvement were identified. Members were advised that the audit had identified no adjusted or unadjusted misstatements and no recommendations for management. Minor presentational amendments identified during the audit had been incorporated into the final accounts. Amy confirmed their independence and compliance with relevant ethical standards and expressed appreciation to the finance team for the quality of the accounts, supporting working papers and timely responses throughout the audit process, which had contributed to an efficient audit. **Recommendation:** Members of the IJB Audit & Assurance Committee were asked to note the External Audit Report. Noted. Members also agreed to forward the annual accounts to the IJB Committee for approval and signing.	

5.	**DRAFT INTERNAL AUDIT PLAN 2026/27 (for approval)** Jocelyn Lyall presented this report seeking Committee approval of the proposed internal audit arrangements for the three-year period 2026/27 to 2028/29 and the Annual Internal Audit Plan for 2026/27. Members were advised that Internal Audit Services would continue to be delivered jointly by NHS Fife and Fife Council Internal Audit Services, with Jocelyn Lyall and Pamela Redpath jointly undertaking the Fife IJB Chief Internal Auditor role. It was noted that the joint delivery model reflects the unique governance arrangements of the IJB and provides effective and independent assurance by drawing on the expertise and access available through both partner organisations and the HSCP. Subject to approval, a revised Internal Audit Charter will be presented to the next meeting to formalise the arrangements and set out the internal audit mandate, organisational position, reporting relationships and scope of work in line with Global Internal Audit Standards. The Committee noted that the draft Annual Internal Audit Plan had been developed through a review of the IJB Risk Register and consultation with the Senior Leadership Team. The plan includes an Internal Control Evaluation to provide assurance on governance arrangements and identify any issues requiring attention ahead of the Annual Governance Statement process. A review of Strategic Planning is also included, focusing on delivery of the Strategic Plan and the effectiveness of monitoring and reporting arrangements. Members further noted that the assurance framework incorporates relevant audit work undertaken by both NHS Fife and Fife Council and that the audit plan may be amended during the year to reflect emerging risks or issues, with any proposed changes to be brought back to the Committee for approval. **Recommendation:** Members of the IJB Audit and Assurance Committee were asked to consider and approve arrangements for provision of Internal Audit Services for the period 2026/27 – 2028/29 and the draft Annual Internal Plan for 2026/27. Approved.	
6.	**INTERNAL AUDIT – FOLLOW UP REPORT ON AUDIT RECOMMENDATIONS** Jocelyn Lyall presented an update on progress against actions arising from previous internal audit reports. Members noted that, in line with the Blueprint for Good Governance, actions relating to audit reports more than one year old are reported separately. Of these, one action remains outstanding, relating to the review of the Governance Manual. It was noted that work on the	

	review has commenced; however, due to resource pressures, the completion date has been extended to the end of October. The Committee further noted that 13 actions are currently recorded from audit reports issued within the last year. One action, relating to the Improvement Tracker and performance reporting, has been completed, while the remaining 12 actions are not yet due for completion. Members acknowledged the positive position overall, noting the relatively small number of outstanding audit actions and the assurance provided that these are being appropriately monitored, validated and progressed within agreed timescales. **Recommendations:** Members of the IJB Audit and Assurance Committee were asked to note this report for assurance. Noted and assured.	
8.	**IJB RISK REGISTER** Avril Sweeney presented the Risk Register update for assurance and discussion. Members noted that the Risk Register had last been considered during the July committee cycle following a comprehensive review aligned to the Strategic Plan 2026-2029. The risks were subsequently reviewed by risk owners in August. It was reported that progress had been made in delivering mitigating actions and updating risk information; however, there had been no changes to risk scores since the July reporting cycle. The Committee noted that amendments to actions were highlighted within the appendices and that risks were presented in order of residual risk score. Members noted that four risks currently remain categorised as high residual risks. Trend analysis was provided, showing risk trajectories from March 2024 through to the target dates of March 2027 and March 2028. It was recognised that limited movement in some risk scores reflects the strategic nature of the risks and the influence of significant external factors which impact the IJB's ability to mitigate them. The Committee further noted that, since March 2024, four risks had been closed, three risks merged, and two new risks added to the Risk Register. The two new risks had been subject to detailed review during the current committee cycle and had been considered by the relevant committees. Members acknowledged the ongoing review and management of risks across the organisation. **Recommendations:** Members of the IJB Audit and Assurance Committee were asked to consider the Risk Register and whether any further information is required. Considered.	

9.	**HORIZON SCANNING (VERBAL)** Tracy Hogg updated the Committee on whether retrospective Directions are required for specific in-year Scottish Government funding already committed or spent. Pending clarification, Directions will continue to be reported to the Finance, Performance and Scrutiny Committee. Officers will pursue Scottish Government guidance, benchmark practice through the Chief Finance Officer network and consider inviting a Scottish Government representative to a future meeting.	
10	**NHS FIFE ANNUAL GOVERNANCE STATEMENT (for noting)** Derek McEwan gave an overview of the Annual Governance Statement, which forms part of the Annual Accounts and provides the Chief Executive's assessment of the effectiveness of governance, risk management and internal control arrangements for 2025/26. The Committee noted that both internal and external audit reviews had concluded that the Statement was an accurate reflection of the organisation's governance and control environment, providing significant assurance regarding the effectiveness of arrangements in place. Members further noted two significant matters disclosed within the Statement relating to: the organisation's engagement with the Equality and Human Rights Commission and the implementation of remedial actions to strengthen equality impact assessment processes and governance arrangements; and the Scottish Information Commissioner's intervention concerning delays in processing Freedom of Information and Subject Access Requests, for which improvement actions, additional oversight and resources had been implemented. The Committee noted the assurance provided on governance, risk management and internal control arrangements for 2025/26, and the disclosures included within the Annual Governance Statement. **Recommendations:** Members of the IJB Audit and Assurance Committee are asked to take assurance from the summary on the internal control environment within the NHS Fife over the course of the past year and note the 2 disclosures detailed within the Governance Statement that impact upon the expected standards of good governance, risk management or control. Assured.	
11	**AUDIT & ASSURANCE WORKPLAN** The purpose of the workplan is for discussion and noting.	

11	**ITEMS FOR REFLECTION & HIGHLIGHTING TO IJB** The appointment of an additional fourth member is proposed to ensure meetings can proceed when a member is unavailable and quorum requirements would otherwise not be met.	
12	**AOCB** None	
13	**DATE OF NEXT MEETING** 12 November 2026 at 10:00 a.m. MS Teams	