
Report To: Inverclyde Integration Joint Board - Audit Committee **Date:** 28 January 2020

Report By: Louise Long, Corporate Director (Chief Officer) Inverclyde Health & Social Care Partnership **Report No:** IJBA/03/2020/LA

Contact Officer: Lesley Aird **Contact No:** 01475 715381

Subject: EXTERNAL AUDIT – PROPOSED AUDIT FEE 2019/20

1.0 PURPOSE

- 1.1 The purpose of this report is to present the proposed Audit Scotland External Audit Fee for 2019/20, for IJB approval.

2.0 SUMMARY

- 2.1 The proposed audit fee for 2019/20 is £26,560, a £1,560 or 6.2% increase from 2018/19. This represents a £9,160 or 52.6% increase since 2016/17. The national IJB CFO network is expected to formally raise its concerns over the fee increase with Audit Scotland.

3.0 RECOMMENDATIONS

- 3.1 It is recommended that the IJB Audit Committee:
- a) notes the proposed Audit Fee,
 - b) notes the anticipated IJB CFO network fee discussions with Audit Scotland, and
 - c) delegates authority to the Chief Officer to accept the final fee proposal on its behalf.

Louise Long
Chief Officer

Lesley Aird
Chief Financial Officer

4.0 BACKGROUND & PROPOSED ACTION

- 4.1 The audit fee is set nationally by Audit Scotland based on an estimate of the number of days and work involved in the audit. The proposed audit fee for 2019/20 is again a flat fee which is the same for all IJBs regardless of size or audit complexity. The proposed fee is £26,560, a £1,560 or 6.2% increase from 2018/19.
- 4.2 The proposed fee represents a £9,160 or 52.6% increase in the four years since 2016/17. Last year the Committee authorised officers to write to Audit Scotland querying the level of increase. After the response from Audit Scotland the Committee subsequently accepted the 2018/19 fee.
- 4.3 The 2019/20 fee proposal represents another above inflation increase which is disproportionately higher for IJBs than local authorities.
- GG&C fee increase is 1.6%,
 - Inverclyde Council increase is 2%
 - IJB increase is 6.2%.

On the basis of this disparity across the different bodies the national IJB CFO network is expected to formally contact Audit Scotland to seek further clarity around the rationale for the IJB increase and ideally a revised and reduced fee proposal for IJBs.

4.4 Proposed Action

Given the ongoing national discussions around the fee, the Committee is asked to delegate authority to the Chief Officer to accept the final fee proposal on its behalf once the discussions are concluded. This delegated authority would be on the basis that the final fee is in line with or lower than the current £26,560 proposal.

5.0 IMPLICATIONS

5.1 FINANCE

There are no financial implications arising from this report.

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report £000	Virement From	Other Comments
N/A					

Annually Recurring Costs / (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact £000	Virement From	Other Comments
N/A	IJB Op Costs	2018/19	£1,000		Funded from overall underspend

LEGAL

- 5.2 There are no specific legal implications arising from this report.

HUMAN RESOURCES

- 5.3 There are no specific human resources implications arising from this report.

EQUALITIES

5.4 There are no equality issues within this report.

Has an Equality Impact Assessment been carried out?

√

YES

NO – This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy. Therefore, no Equality Impact Assessment is required.

5.5 How does this report address our Equality Outcomes

There are no Equalities Outcomes implications within this report.

Equalities Outcome	Implications
People, including individuals from the above protected characteristic groups, can access HSCP services.	None
Discrimination faced by people covered by the protected characteristics across HSCP services is reduced if not eliminated.	None
People with protected characteristics feel safe within their communities.	None
People with protected characteristics feel included in the planning and developing of services.	None
HSCP staff understand the needs of people with different protected characteristic and promote diversity in the work that they do.	None
Opportunities to support Learning Disability service users experiencing gender based violence are maximised.	None
Positive attitudes towards the resettled refugee community in Inverclyde are promoted.	None

5.6 **CLINICAL OR CARE GOVERNANCE IMPLICATIONS**

There are no governance issues within this report.

5.7 **NATIONAL WELLBEING OUTCOMES**

How does this report support delivery of the National Wellbeing Outcomes

There are no National Wellbeing Outcomes implications within this report.

National Wellbeing Outcome	Implications
People are able to look after and improve their own health and wellbeing and live in good health for longer.	None
People, including those with disabilities or long term conditions or who are frail are able to live, as far as reasonably practicable, independently and at home or in a homely setting in their community	None
People who use health and social care services have positive experiences of those services, and have their dignity respected.	None

Health and social care services are centred on helping to maintain or improve the quality of life of people who use those services.	None
Health and social care services contribute to reducing health inequalities.	None
People who provide unpaid care are supported to look after their own health and wellbeing, including reducing any negative impact of their caring role on their own health and wellbeing.	None
People using health and social care services are safe from harm.	None
People who work in health and social care services feel engaged with the work they do and are supported to continuously improve the information, support, care and treatment they provide.	None
Resources are used effectively in the provision of health and social care services.	None

6.0 CONSULTATION

- 6.1 The draft plan was circulated by Audit Scotland to the Chief Financial Officer for comment and feedback and shared with the Chief Officer.

7.0 BACKGROUND PAPERS

- 7.1 None.