Midlothian Integration Joint Board

2024/25 Annual Audit Report

AUDIT SCOTLAND

Prepared for Midlothian Integration Joint Board and the Controller of Audit

September 2025

Contents

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Key messages

Audit of the annual accounts

1 All audit opinions stated that the annual accounts were free from material misstatement.

2 There were no material adjustments required to correct the financial statements.

Wider scope and Best Value audit

3 Midlothian IJB reported a surplus of £0.15 million in its service provision for 2024/25. However, additional funding of £7.83 million was provided in year to meet operational overspends.

4 The scale of the financial challenges Midlothian IJB is facing remains significant, with future funding gaps posing serious risks to the sustainability of health and social care services

5 The audit work performed on the arrangements the body has in place for Vision, Leadership and Governance found that these were appropriate.

6 Governance arrangements remain appropriate and support effective scrutiny, challenge and informed decision making.

7 Midlothian IJB has effective arrangements for managing and reporting performance.

8 Arrangements to secure Best Value are developing with a framework expected in 2025/26.

Introduction

Purpose of the Annual Audit Report

1. The purpose of this Annual Audit Report is to report the significant matters identified from the 2024/25 audit of Midlothian Integration Joint Board's annual accounts and the wider scope areas specified in the Code of Audit Practice.

2. The Annual Audit Report is addressed to Midlothian Integration Joint Board, hereafter referred to as 'Midlothian IJB', and the Controller of Audit and will be published on Audit Scotland's website in due course.

Appointed auditor and independence

3. Claire Gardiner, of Audit Scotland, has been appointed as external auditor of Midlothian IJB for the period from 2022/23 until 2026/27. As reported in the Annual Audit Plan, Claire Gardiner and the audit team are independent of Midlothian IJB in accordance with relevant ethical requirements, including the Financial Reporting Council's Ethical Standard. There have been no developments since the issue of the Annual Audit Plan that impact on the continued independence of the engagement lead or the rest of the audit team from Midlothian IJB, including no provision of non-audit services.

Acknowledgements

4. We would like to thank Midlothian IJB and its staff, particularly those involved in preparation of the annual accounts, for their cooperation and assistance during the audit. We look forward to working together constructively over the remainder of the five-year audit appointment.

Audit scope and responsibilities

Scope of the audit

5. The audit is performed in accordance with the Code of Audit Practice, including supplementary guidance, International Standards on Auditing (ISA) (UK), and relevant legislation. These set out the requirements for the scope of the audit which includes:

- An audit of the financial statements and an opinion on whether they give a true and fair view and are free from material misstatement.
- An opinion on statutory other information published with the financial statements in the annual accounts, namely the Management Commentary and Annual Governance Statement.
- An opinion on the audited part of the Remuneration Report.
- Conclusions on Midlothian IJB's arrangements in relation to the wider scope areas: Financial Management; Financial Sustainability; Vision, Leadership and Governance; and Use of Resources to Improve Outcomes.
- Reporting on Midlothian IJB's arrangements for securing Best Value.
- Provision of this Annual Audit Report.

Responsibilities and reporting

6. The Code of Audit Practice sets out the respective responsibilities of Midlothian IJB and the auditor. A summary of the key responsibilities is outlined below.

Auditor's responsibilities

7. The responsibilities of auditors in the public sector are established in the Local Government (Scotland) Act 1973. These include providing an independent opinion on the financial statements and other information reported within the annual accounts and concluding on Midlothian IJB's arrangements in place for the wider scope areas and Best Value.

8. The matters reported in the Annual Audit Report are only those that have been identified by the audit team during normal audit work and may not be all that exist. Communicating these does not absolve Midlothian IJB from its responsibilities outlined below.

Midlothian IJB's responsibilities

9. Midlothian IJB has primary responsibility for ensuring proper financial stewardship of public funds, compliance with relevant legislation and establishing effective arrangements for governance, propriety, and regularity that enables it to successfully deliver its objectives. The features of proper financial stewardship include:

- Establishing arrangements to ensure the proper conduct of its affairs.
- Preparation of annual accounts, comprising financial statements for Midlothian IJB that gives a true and fair view and other specified information.
- Establishing arrangements for the prevention and detection of fraud, error and irregularities, and bribery and corruption.
- Implementing arrangements to ensure its financial position is soundly based.
- Making arrangements to secure Best Value.
- Establishing an internal audit function.

National performance audit reporting

10. The Auditor General for Scotland and the Accounts Commission regularly publish performance audit reports. These cover a range of matters, many of which may be of interest to Midlothian IJB and the Audit, Risk & Governance Committee. Details of national and performance audit reports published over the last year can be seen in Appendix 2.

Audit of the annual accounts

Main judgements

All audit opinions stated that the annual accounts were free from material misstatement.

There were no material adjustments required to correct the financial statements.

Audit opinions on the annual accounts

11. Midlothian IJB's annual accounts were approved by the Board on the 18 September 2025 and certified by the appointed auditor on the same date. The Independent Auditor's Report is included in Midlothian IJB's annual accounts, and this reports that, in the appointed auditor's opinion, these were free from material misstatement.

Audit timetable

12. The unaudited annual accounts and all working papers were received on 30 June 2025 in accordance with the agreed audit timetable.

Audit Fee

13. The audit fee for the 2024/25 audit was reported in the Annual Audit Plan and was set at £34,000. There have been no developments that impact on planned audit work required, therefore the audit fee reported in the Annual Audit Plan remains unchanged.

Materiality

14. Materiality is applied by auditors in planning and performing an audit, and in evaluating the effect of any uncorrected misstatements on the financial statements or other information reported in the annual accounts.

15. The concept of materiality is to determine whether misstatements identified during the audit could reasonably be expected to influence the decisions of users of the annual accounts. Auditors set a monetary threshold when determining materiality, although some issues may be considered material by their nature. Therefore, materiality is ultimately a matter of the auditor's professional judgement.

16. Materiality levels for the audit of Midlothian IJB were determined at the risk assessment phase of the audit and were reported in the Annual Audit Plan, which also reported the judgements made in determining materiality levels. These were updated on receipt of the unaudited annual accounts as shown in Exhibit 1.

Exhibit 1
2024/25 Materiality levels for Midlothian IJB

Materiality	Midlothian IJB
Materiality – set at 2% of gross expenditure.	£4.09 million
Performance materiality – set at 70% of materiality. As outlined in the Annual Audit Plan, this acts as a trigger point. If the aggregate of misstatements identified during the audit exceeds performance materiality, this could indicate further audit procedures are required.	£2.86 million
Reporting threshold – set at 5% of materiality.	£0.20 million

Source: Audit Scotland

Significant findings and key audit matters

17. ISA (UK) 260 requires auditors to communicate significant findings from the audit to those charged with governance, which for Midlothian IJB is the Audit and Risk Committee.

18. The Code of Audit Practice also requires public sector auditors to communicate key audit matters. These are the matters that, in the auditor’s professional judgement, are of most significance to the audit of the financial statements and require most attention when performing the audit.

19. In determining key audit matters, auditors consider:

- Areas of higher or significant risk of material misstatement.
- Areas where significant judgement is required, including accounting estimates that are subject to a high degree of estimation uncertainty.
- Significant events or transactions that occurred during the year.

20. There are no significant findings or key audit matters to report

Qualitative aspects of accounting practices

21. ISA (UK) 260 also requires auditors to communicate their view about qualitative aspects of Midlothian IJB's accounting practices, including accounting policies, accounting estimates, and disclosures in the financial statements.

Accounting policies

22. The appropriateness of accounting policies adopted by Midlothian IJB was assessed as part of the audit. These were considered to be appropriate to the circumstances of Midlothian IJB, and there were no significant departures from the accounting policies set out in the Code of Practice on Local Authority Accounting in the United Kingdom (the Code).

Accounting estimates

23. Accounting estimates are used in Midlothian IJB's financial statements. Audit work considered the process management of Midlothian IJB has in place around making accounting estimates, including the assumptions and data used in making the estimates. Audit work concluded:

- There were no issues with the selection or application of methods, assumptions, and data used to make the accounting estimates, and these were considered to be reasonable.
- There was no evidence of management bias in making the accounting estimates.

Disclosures in the financial statements

24. The adequacy of disclosures in the financial statements was assessed as part of the audit. The quality of disclosures was reasonable.

Audit adjustments

25. No audit adjustments were required to the financial statements greater than the reporting threshold of £0.20 million.

26. In accordance with normal audit practice, a few presentational and disclosure amendments were discussed and agreed with management. The disclosure changes were satisfactory.

Significant risks of material misstatement identified in the Annual Audit Plan

27. Audit work has been performed in response to the significant risks of material misstatement identified in the Annual Audit Plan. The outcome of audit work performed is summarised in Exhibit 2.

Exhibit 2
Significant risks of material misstatement to the financial statements

Risk of material misstatement
Fraud caused by management override of controls Management is in a unique position to perpetrate fraud because of management's ability to override controls that otherwise appear to be operating effectively.
Outcome of audit work
• We obtained assurances from the external auditors of NHS Lothian and Midlothian Council. These did not identify any areas of concern. • We did not identify any significant weaknesses in the systems of internal control that impact on Midlothian IJB. • We reviewed adjustments at year end and financial monitoring reports and did not identify any significant issues. • We did not identify any significant unusual transactions outside the normal course of business.
Results
We are satisfied that there is no material misstatement due to management override of controls.

Source: Audit Scotland

Prior year recommendations

28. The body has made limited progress in implementing the agreed prior year audit recommendations. For actions not yet implemented, revised responses and timescales have been agreed with the body and are outlined in Appendix 1.

Wider scope and Best Value audit

Audit approach to wider scope

Wider scope

29. As reported in the Annual Audit Plan, the wider scope audit areas are:

- Financial Management and Sustainability.
- Vision, Leadership and Governance.
- Use of Resources to Improve Outcomes.

30. Audit work is performed on these three areas and a conclusion on the effectiveness and appropriateness of arrangements Midlothian IJB has in place for each of these is reported in this chapter.

Best Value

31. Integration authorities have a statutory duty to have arrangements to secure Best Value. To achieve this, IJBs should have effective processes for scrutinising performance, monitoring progress towards the strategic objectives and holding partners to account. Best Value in public services: guidance for Accountable Officers is issued by Scottish Ministers and sets out their duty to ensure that arrangements are in place to secure Best Value in public services.

32. The duty on auditors to consider the arrangements in place to secure Best Value applies to the body as it falls within section 106 of the Local Government (Scotland) Act 1973.

33. Consideration of the arrangements the body has in place to secure Best Value has been carried out alongside the wider scope audit.

Financial Management and Sustainability

Conclusion

Midlothian IJB reported a surplus of £0.15 million in its service provision for 2024/25. However, additional funding of £7.83 million was provided in year to meet operational overspends.

The scale of the financial challenges Midlothian IJB is facing remains significant, with future funding gaps posing serious risks to the sustainability of health and social care services.

Midlothian IJB reported a surplus of £0.149 million in its service provision for 2024/25. However, additional funding of £7.832 million was provided in year to meet operational overspends

34. Midlothian IJB approved its 2024/25 budget in March 2024. The original budget was set at £196.82 million. The budget included proposed savings of £10.04 million.

35. Financial Recovery Plans agreed at the start of the 2024/25 as part of the Transformation Programme, helped delivered in year savings of £7.04 million, of which £0.30 million was non-recurring.

36. In year, Midlothian IJB incurred operational overspends in both Health and Social Care services of £2.95 million and £4.88 million respectively. Due to Midlothian IJB not holding any general reserves and line with the Integration Scheme, both Partners, NHS Lothian and Midlothian Council, provided additional year end funding allocations to fully cover these overspends.

37. In addition, £0.79 million of earmarked reserves were utilised, with £0.94 million being contributed to reserves due to the receipt of unscheduled care funding. This resulted in Midlothian IJB achieving a surplus on the provision of services of £0.149 million for 2024/25.

Midlothian IJB's reserves are critically low, with no uncommitted funds, limiting its ability to manage future financial pressures.

38. One of the key measures of the financial health of a body is the level of reserves held. Midlothian IJB has a general fund reserve which contains earmarked balances for future commitments. Midlothian IJB has no uncommitted balances within its general fund reserve.

39. Exhibit 3 shows the level of reserves held by Midlothian IJB over the past five years.

40. In 2023/24, Midlothian IJB fully utilised its general reserve, with earmarked reserves of £0.80 million held at 31st March 2024.

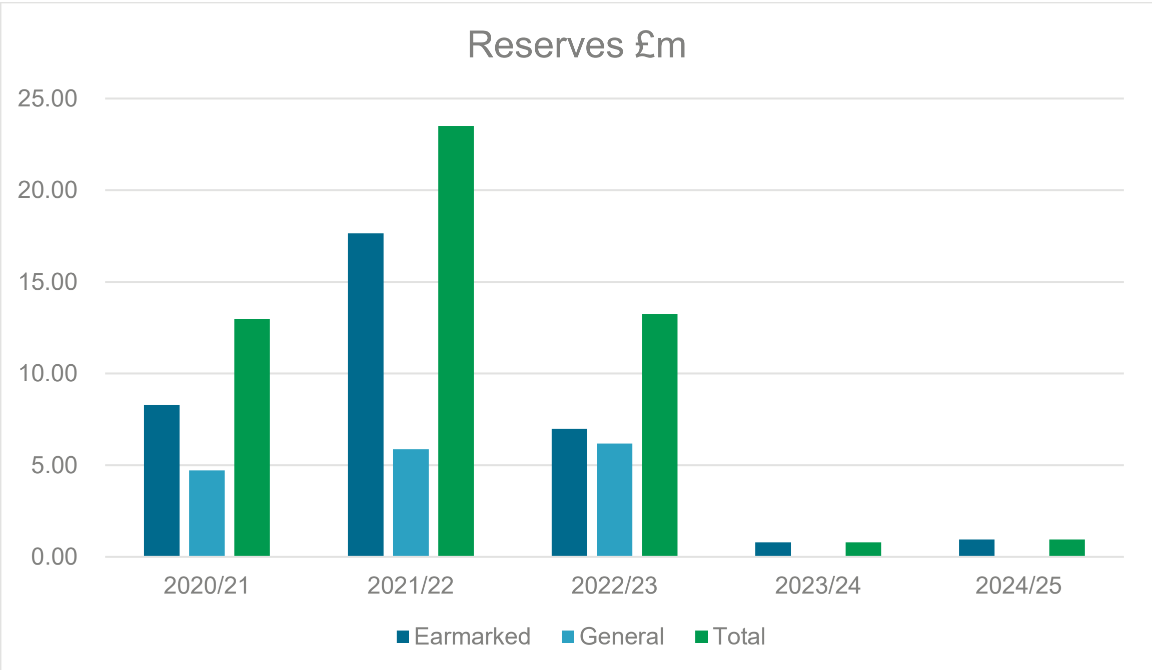
41. A review of the reserves policy has taken place in 2025/26. The review concluded that while the existing policy that a general reserve of 2% of net expenditure should be maintained remains robust in terms of governance and reserve purpose, the 2% target should be seen as an optimum level to be built over time. Recognising the current financial challenges, a stepped approach to rebuilding reserves over the next 3–5 years is proposed.

42. This approach will be embedded within the revised Medium Term Financial Strategy ensuring alignment between strategic planning and financial resilience.

43. As set out in paragraphs 44-50, the scale of financial pressures faced by the IJB is significant, and consequently, building reserves up to the target level will be difficult to achieve.

44. Midlothian IJB now has minimal level of reserves which are ringfenced and assigned to specific committed projects for 2025/26. The low level of reserves seriously limits Midlothian IJB's ability to manage and mitigate future financial pressures.

Exhibit 3
Midlothian IJB earmarked and uncommitted reserve movements over 5-year period



Source: Midlothian Integrated Joint Board financial statements

NB: the earmarked reserves were particularly high in 2021/22 due to significant amounts of covid related funding being distributed for use by Scottish public bodies. Unused funding was returned to the Scottish Government in subsequent years.

The scale of the financial challenges Midlothian IJB is facing remains significant, with future funding gaps posing serious risks to the sustainability of health and social care services

45. Like all public services, Midlothian IJB is continuing to face budgetary challenges amid rising demand, increasing costs, and workforce shortages. Given these pressures, ensuring long-term financial stability requires identifying and delivering substantial savings.

46. The budget for 2025/26 was agreed at the Board meeting in March 2025. Midlothian IJB agreed a balanced budget position for 2025/26 which includes a total savings target of £5.80 million. There is a possibility that the required savings will not be achieved for 2025/26. If this occurs Midlothian IJB would need one-off support from partner bodies or to draw on its limited reserves.

47. The ongoing dependence on savings and financial contributions from partners evidences the significant financial risk Midlothian IJB is facing.

48. The latest Medium Term Financial Strategy, reported to the board in April 2024, forecasted a £52.71 million cumulative budget gap from 2024/25 to 2028/29.

49. Midlothian IJB is undertaking a significant Transformation Programme of work to deliver transformation, redesign, and change to ensure a sustainable future for integrated health and social care. Alongside this is a Financial Recovery Programme in 2025/26 designed to provide a foundation of financial stability for Midlothian IJB. We will consider the development and implementation of the Transformation Programme as part of our audit work in 2025/26.

50. The Midlothian IJB Medium Term Financial Strategy for 2025-2030 is also under development and will outline how the resources made available by NHS Lothian and Midlothian Council will be allocated by Midlothian IJB to deliver the ambitions of the Midlothian IJB Strategic Plan 2025-2035.

Financial management and reporting arrangements are effective and allow members and officers to scrutinise the budget effectively

51. Senior management and Midlothian IJB members regularly receive and monitor financial information. Finance updates were submitted to Midlothian IJB Board throughout the year. These clearly stated the outturn to date, latest budget information and the projected year-end outturn position. These reports also made clear the impact of ongoing financial pressures.

52. Through attending committee meetings, we observed that senior management and members receive regular and accurate financial information on Midlothian IJB’s financial position and have concluded that

Midlothian IJB has appropriate financial management and reporting arrangements in 2024/25.

Midlothian IJB has appropriate financial control arrangements in place

53. Midlothian IJB does not have any assets, nor does it directly incur expenditure or employ staff, other than the Chief Officer and Interim Chief Finance Officer. All funding and expenditure are incurred by partner bodies and processed in their accounting systems. Midlothian IJB does not have its own financial systems and instead relies on the financial systems of its partner bodies, NHS Lothian and Midlothian Council.

54. As part of our audit approach, we obtained assurances from the external auditors of NHS Lothian and Midlothian Council. The assurances confirmed that there were no significant weaknesses in the systems of internal control for either body which would impact Midlothian IJB.

Standards of conduct and arrangements for the prevention and detection of fraud and error were appropriate

55. In the public sector there are specific fraud risks, including those relating to tax receipts, welfare benefits, grants and other claims made by individuals and organisations. Public sector bodies are responsible for implementing effective systems of internal control, including internal audit, which safeguard public assets and prevent and detect fraud, error and irregularities, bribery and corruption.

56. Midlothian IJB does not maintain its own policies relating to the prevention and detection of fraud and error but instead depends on those in place at its partner bodies. Midlothian IJB has a Code of Conduct for members and the Members' Registers of Interest are publicly available on the IJB's website.

57. As part of our audit approach, we obtained assurances from the external auditors of NHS Lothian and Midlothian Council. The assurances confirmed that there were no significant weaknesses in the arrangements for the prevention and detection of fraud at either body.

Vision, Leadership and Governance

Conclusion

The audit work performed on the arrangements the body has in place for Vision, Leadership and Governance found that these were appropriate.

Governance arrangements remain appropriate and support effective scrutiny, challenge and informed decision making.

Midlothian IJB Strategic Plan 2025-2035 is due for publication in October 2025

58. Midlothian IJB Strategic Plan covering the period 2025-2035, is in its final stages of development and is due for publication in October 2025. The purpose of this plan is to describe how Midlothian IJB will work with it's partners Midlothian Council and NHS Lothian, people, communities, the Third and Independent Sector, and the services who provide care and support and agree how they can best contribute to people in Midlothian living well in their community.

59. The plan sets out the three strategic aims. Each of the strategic aims support at least one of the 9 National Health and Wellbeing outcomes. Midlothian IJB's 25/26 Directions are set out in this way too.

Governance arrangements remain appropriate and support effective scrutiny, challenge and decision making

60. The Board met seven times during 2024/25 and the Audit and Risk Committee met four times in the same period. The meetings were held both in person and virtually. Our observations at committee meetings have found that these are conducted in a professional manner and there is a reasonable level of scrutiny and challenge by members.

61. We consider that governance arrangements remain appropriate and support effective scrutiny, challenge and decision making.

Change in Chief Finance Officer

62. In accordance with the Public Bodies (Joint Working) (Scotland) Act 2014, each Integration Joint Board is required to appoint a Section 95 Officer. Following the resignation of the Chief Finance Officer (CFO) at the end of September 2023, an interim CFO was appointed from 1 October 2023 and served until 5 December 2024. A new interim CFO was subsequently appointed from 19 December 2024.

63. A permanent CFO is crucial for providing long term strategic vision and leadership. This is particularly important when considering the financial challenges faced by the IJB. The appointment of a permanent CFO should therefore be a priority for Midlothian IJB.

Use of Resources to Improve Outcomes

Conclusion

Midlothian IJB has appropriate arrangements for managing and reporting performance.

Arrangements to secure Best Value are developing with a framework expected in 2025/26.

Performance management arrangements are in place with indicators and targets kept under review

64. The Public Bodies (Joint Working) (Scotland) Act 2014 requires the IJB to produce an annual performance report covering areas such as assessing performance in relation to national health and wellbeing outcomes, financial performance and best value, reporting on localities, and the inspection of services.

65. Midlothian IJB's 2024/25 Annual Performance Report was presented and approved by the Board in August 2025. While this is an improvement compared to prior year it is a requirement that the Annual Performance Report is published by 31 July each year and Midlothian IJB should work towards achieving this target.

66. The Annual Performance Report for 2024/25 provides year on year trend analysis data for national core performance indicators. The report noted progress for 19 of the 20 national indicators.

67. Of the 19 indicators:

- Seven green – performance has improved compared to last year
- Five amber - there hasn't been a significant change in performance compared to last year
- Six red - performance has worsened compared to last year
- One indicator has not been published in time for the Midlothian IJB Annual Performance Report

68. Midlothian IJB Performance Framework 2025-2028 to support the delivery of the Midlothian IJB draft Strategic Plan is also being developed. We will consider this as part of our review of performance management arrangements in 2025/26.

Conclusions on Best Value

69. The Local Government (Scotland) Act 2003 places a duty on Local Government bodies to secure Best Value. As a Section 106 body under the 2003 Act, Integration Joint Boards have the same statutory duty to secure best value. To achieve this, IJBs should have effective processes for scrutinising performance, monitoring progress towards their strategic objectives, and holding partners to account.

70. At the Audit and Risk Committee in September 2024, the committee gave the go ahead to create a Best Value Framework. A draft Best Value Framework has been developed collaboratively by the Chief Financial Officer and Integration Manager. The framework will be presented to Midlothian IJB Audit and Risk Committee later in 2025/26.

Appendix 1

Action plan 2024/25

Follow-up of prior year recommendations

Issue/risk	Recommendation and agreed action	Progress
b/f 1. Constituent body working papers The unaudited accounts and supporting working papers, including assurance letters from the constituent bodies, were provided within the agreed timescale. However, similar to 2022/23, further working papers and revisions to the Midlothian Council assurance letter were required to enable agreement of social care figures between the unaudited accounts and the ledger. This led to a delay in the audit process and increasing pressure for the audit team and finance staff to complete the audit by the agreed deadline of 19 September.	Working papers and assurance letters should be reviewed by management, prior to submission to audit. It is the IJB’s responsibility working with partner bodies, to ensure assurance letters agree to the unaudited accounts and provide sufficient detail to enable external audit to agree the figures to the ledger **Original agreed action** This reconciliation will now be part of the review of the IJB's accounts prior to the preparation of the Annual Accounts. Original officer / timeline: Chief Finance Officer 31 March 2025	**Completed** The 2024/25 assurance letters and working papers provided to audit were easily agreed to the unaudited accounts. No issues were identified with the quality of working papers during the 2024/25 audit.

b/f 2. Management Commentary

The unaudited annual accounts were received in line with the agreed audit timetable on 21 June 2024. However, there is scope to improve the narrative in the annual report and accounts.

The management commentary did not fully tell the story of the IJB, give good performance detail or transparently set out financial information (e.g. detail on use of earmarked reserves and gross expenditure which was included in the prior year accounts was excluded this year).

The management commentary should be reviewed to ensure it provides a clear summary of performance during the year and transparently sets out financial information

Original agreed action

The accounts have been updated for the financial position and the management commentary has been expanded.

Original officer / timeline: Chief Finance Officer 31 March 2025

In progress

While the Management Commentary effectively outlines financial information and provides a performance overview, there is an opportunity to enhance its value by including more detailed analysis.

Revised action: Work will be undertaken to review the management commentary and identify opportunities for development, ensuring alignment with other key documents such as the Strategic Plan and the Medium-Term Financial Strategy.

Responsible officer: Chief Officer

Revised date: March 2026

b/f 3. Financial Management – Reserves Policy The current level of reserves falls below the Midlothian IJB Reserve Policy, approved by members in 2017, which indicates that a general reserve of 2% of net expenditure should be held to cushion financial risk. Financial management will be more challenging without an adequate reserves cushion to support increases in expenditure and reduced funding levels.	Midlothian IJB should review its reserves policy to ensure it is up to date and takes in to account the fiscal challenges which the public sector is currently facing. **Original agreed action** At this time there is no opportunity to generate further general reserves. The IJB recognises this. A report will be made to the IJB clarifying the current position on reserves. Original officer / timeline: Chief Officer December 2023	**In progress** A review lead by the Chief Finance Officer has taken place in 2025/26 which concluded that the 2% target should be seen as an optimum level to be built over time. The revision to the Reserves Policy is subject to approval by the board. **Revised action:** The Reserve Policy was presented to the MLIJB Audit & Risk Committee in June 2025 and will be reconsidered by the Committee in September 2025 for final approval, before being submitted to the Board for decision. **Responsible officer:** Chief Finance Officer **Revised date:** December 2025

b/f 4. Delay in publication of the Annual Performance Report The Board of Midlothian IJB has continued to monitor key performance throughout the year. The 2023/24 Annual Performance Report is being progressed through the Strategic Planning Group and is expected to be submitted to the board for approval in October 2024 following detailed scrutiny by the Performance Assurance and Governance Group and the Senior Management Team. This will be later than the required deadline of 31 July.	The IJB should make every effort to publish by deadlines going forward. **Original agreed action** In principle we accept this recommendation on the basis that the legislation is clear about this timescale. However, in practice such a timescale is simply not deliverable. The data to complete the APR is often not available until late July. The APR report then has to be prepared, submitted to the SPG for comment and approval and then submitted to the IJB for comment and approval. This will not be completed until the meeting of the IJB in October 2024. This is not simply a Midlothian issue - we understand that other IJBs share the same challenges with this timeline. We have, and we will continue to discuss these challenges with the Scottish Government. Original officer / timeline: Chief Officer 31st December 2024	**In progress** The 2024/25 Annual Performance Report was approved by the Board in August 2025. While this represents an improvement on the previous year's timeline, Midlothian should continue to aim for compliance with the statutory deadline of 31 July. **Revised action:** As in previous years, Midlothian aims to meet the statutory deadline of 31 July; however, this is typically not achievable due to delays in the release of national information required to complete the annual performance report. Midlothian has engaged with the Scottish Government to outline the challenging nature of this position. **Responsible officer:** Chief Officer **Revised date:** December 2025

b/f 5. Governance - Transparency The nationally validated PHS Members' Register of Interests is not accessible to local citizens as it is not published on the Midlothian IJB website. There is a lack of transparency in governance arrangements.	The Members Register of interests should be available from the Midlothian IJB website. **Original agreed action** The register of interests has been published for all elected members and work is progressing to complete the disclosures for all members of the IJB. Original officer / timeline: Chief Officer 31st December 2024	**In progress** Registers of Interests for the Chief Officer, Chief Finance Officer and Partnership Representative members' are not available on Midlothian IJB's website. **Revised action:** The outstanding submissions for the register will be considered by the MLIJB Audit & Risk Committee in September 2025, with the exercise expected to conclude shortly thereafter. **Responsible officer:** Chief Officer **Revised date:** December 2025
b/f 6. Changes in Chief Finance Officer The IJB is required to appoint a s95 officer and this role was carried out by the Chief Finance Officer in 2022/23. However, the Chief Finance Officer is due to resign from the IJB and a replacement has not yet been identified for the post.	It is crucial that a replacement s95 Officer is appointed to ensure continued financial management arrangements and compliance with the Public Bodies (Joint Working) (Integration Joint Boards) (Scotland) Order 2014 **Original agreed action** Agree, interim and future Chief Finance Officer post arrangements for the IJB will be presented to the next IJB Board meeting. Original officer / timeline: Chief Officer December 2023	**In progress** An interim Chief Finance Officer is currently in post until December 2025. Work is underway to establish a permanent Chief Finance Officer role within Midlothian IJB, with the appointment expected in early 2026. **Revised action:** Future arrangements for the Chief Finance Officer post for the IJB will be discussed with partners, and options to recruit a permanent appointment will be explored and progressed. **Responsible officer:** Chief Officer **Revised date:** March 2026

Appendix 2

Supporting national and performance audit reports

Report name	Date published
Local government budgets 2024/25	15 May 2024
Scotland's colleges 2024	19 September 2024
Integration Joint Boards: Finance and performance 2024	25 July 2024
The National Fraud Initiative in Scotland 2024	15 August 2024
Transformation in councils	1 October 2024
Alcohol and drug services	31 October 2024
Fiscal sustainability and reform in Scotland	21 November 2024
Public service reform in Scotland: how do we turn rhetoric into reality?	26 November 2024
NHS in Scotland 2024: Finance and performance	3 December 2024
Auditing climate change	7 January 2025
Local government in Scotland: Financial bulletin 2023/24	28 January 2025
Transparency, transformation and the sustainability of council services	28 January 2025
Sustainable transport	30 January 2025
A review of Housing Benefit overpayments 2018/19 to 2021/22: A thematic study	20 February 2025
Additional support for learning	27 February 2025
Integration Joint Boards: Finance bulletin 2023/24	6 March 2025
Integration Joint Boards finances continue to be precarious	6 March 2025
General practise: Progress since the 2018 General Medical Services contract	27 March 2025
Council Tax rises in Scotland	28 March 2025

Midlothian Integration Joint Board

2024/25 Annual Audit Report

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