

Date: 20 September 2019
When calling please ask for: Eamonn Daly (0141-577-3023)
e-mail: eamonn.daly@eastrenfrewshire.gov.uk

**TO: MEMBERS OF THE EAST RENFREWSHIRE INTEGRATION JOINT
BOARD PERFORMANCE AND AUDIT COMMITTEE**

Dear Colleague

**EAST RENFREWSHIRE INTEGRATION JOINT BOARD - PERFORMANCE AND AUDIT
COMMITTEE**

A meeting of the East Renfrewshire Integration Joint Board Performance and Audit Committee will be held within the Council Offices, Main Street, Barrhead on **Wednesday 25 September 2019 at 9.00 am.**

The agenda of business is attached.

Yours faithfully

COUNCILLOR CAROLINE BAMFORTH
Chair

This document can be explained to you in other languages and can be provided in alternative formats such as large print and Braille. For further information, please contact Customer First on 0141 577 3001 or email customerservices@eastrenfrewshire.gov.uk

BLANK PAGE

**EAST RENFREWSHIRE INTEGRATION JOINT BOARD
PERFORMANCE & AUDIT COMMITTEE
WEDNESDAY, 25 SEPTEMBER 2019
COUNCIL OFFICES, MAIN STREET
BARRHEAD**

AGENDA

- 1 Apologies for absence**
- 2 Declaration of Interests**
- 3 Minute of meeting of 26 June 2019 (copy attached, pages 5 - 10).**
- 4 Matters Arising (copy attached, pages 11 - 14).**
- 5 Internal Audit Annual Report 2018/19 (copy attached, pages 15 - 22).**
- 6 Audit Scotland Report (copy attached, pages 23 - 56).**
- 7 Annual Report and Accounts 2018/19 (copy attached, pages 57 - 116).**
- 8 Performance Report – Quarter 1 2019-20 (copy attached, pages 117 - 128).**
- 9 IJB Strategic Risk Register Update (copy attached, pages 129 - 144).**
- 10 Contracts and Exceptions Update to June 2019 (copy attached, pages 145 - 150).**
- 11 Date of Next Meeting – Wednesday 27 November 2019, Council Offices, Main Street, Barrhead.**

BLANK PAGE

**Minute of Meeting of the
East Renfrewshire Integration Joint Board
Performance and Audit Committee
held at 9.00am on 26 June 2019 in the
Council Offices, Main Street, Barrhead**

PRESENT

Councillor Caroline Bamforth, East Renfrewshire Council (Chair)

Councillor Barbara Grant	East Renfrewshire Council co-opted Member
Anne Marie Kennedy	Non-voting IJB Member
John Matthews	NHS Greater Glasgow and Clyde Board
Anne-Marie Monaghan	NHS Greater Glasgow and Clyde Board
Councillor Paul O’Kane	East Renfrewshire Council

IN ATTENDANCE

Lesley Bairden	Head of Finance and Resources (Chief Financial Officer)
Michelle Blair	Chief Auditor (East Renfrewshire Council)
Eamonn Daly	Democratic Services Manager (East Renfrewshire Council)
Candy Millard	Head of Adult Health and Social Care Localities
Julie Murray	Chief Officer, HSCP
Steven Reid	Senior Policy, Planning and Performance Officer

ALSO IN ATTENDANCE

Ian Kerr	Care Inspectorate
Stephen Rankin	Care Inspectorate

DECLARATIONS OF INTEREST

1. There were no declarations of interest intimated.

MINUTE OF PREVIOUS MEETING

2. The committee considered and approved the Minute of the meeting of 20 March 2019.

MATTERS ARISING

3. The committee considered and noted a report by the Chief Officer providing an update on progress regarding matters arising from the discussions which took place at the meeting of 20 March 2019.

NOT YET ENDORSED AS A CORRECT RECORD

Having heard the Head of Finance and Resources (Chief Financial Officer) further on the report, the committee:-

- (a) noted the report; and
- (b) noted that a progress report on the appointment of an additional Advanced Practice Physiotherapist would be submitted to the next meeting.

UNAUDITED ANNUAL REPORT AND ACCOUNTS 2018/19

4. The committee considered a report by the Head of Finance and Resources (Chief Financial Officer) providing an overview of the unaudited report and accounts for the IJB covering the period 1 April 2018 to 31 March 2019, as well as outlining legislative requirements and key stages associated with the approval of the annual report and accounts.

Having referred to the establishment of IJBs and the requirements, in accordance with Section 106 of the Local Government (Scotland) Act 1973, for annual accounts to be prepared in compliance with the Code of Practice on Accounting for Local Authorities in the United Kingdom, and also to additional guidance produced by the Local Authority (Scotland) Accounts Advisory Committee, the report set out an overview of the process for the preparation and approval of the IJB's annual report and accounts.

The report highlighted the main key messages, these being that there was a year-end underspend of £0.26 million which was 0.22% of the annual revenue budget; that there had been £0.521 million planned use of reserves; and that £0.381 million of existing reserves had been realigned.

The report also proposed a series of 5 new reserves totalling £1.09 million being created, with the amounts and reasons for each of the reserves being outlined.

The Head of Finance and Resources (Chief Financial Officer) was then heard further on the terms of the report in the course of which she acknowledged the contribution of Ian Arnott, Finance Business Partner, in the preparation of the accounts.

In the course of ensuing discussion, Mrs Kennedy suggested that it would be helpful if a note were to be added to the accounts to explain the reasons for the increase in the salary of the Head of Finance and Resources (Chief Financial Officer), it being noted that this had been due to the additional responsibilities taken on by the postholder following the senior staff restructuring exercise that had taken place.

In response to further questions, the Head of Finance and Resources (Chief Financial Officer) explained that regular budget monitoring reports identified when reserves were being used for a particular purpose, and confirmed that the use of the proposed £200k reserve to support the development of a new strategic partnership framework would not be restricted to homecare services.

Thereafter the committee:-

- (a) agreed that the unaudited annual report and accounts be remitted to the Integration Joint Board for approval, subject to the addition of a note to the accounts regarding the salary of the Head of Finance and Resources (Chief Financial Officer);

NOT YET ENDORSED AS A CORRECT RECORD

- (b) endorsed the proposed reserves allocations;
- (c) noted that the annual report and accounts were subject to audit review; and
- (d) agreed to receive the audited annual report and accounts in September, subject to any recommendations made by the external auditor.

ANNUAL PERFORMANCE REPORT 2018/19

5. The committee considered a report by the Chief Officer providing details of the performance of the HSCP over 2018/19.

Having referred to the legislation and guidance setting out the prescribed content of a performance report for an integration authority, the report explained that this was the first year of the 2018/21 Strategic Plan and the third Annual Performance Report that had been prepared, it being noted that the report was a high level report with more details of activities and targets being contained in the HSCP Implementation Plan – End Year Report 2018/19.

The report explained that the Annual Report, a copy of which accompanied the report, set out how the HSCP had delivered on its vision and commitments over 2018/19, and was set out under the National Health and Wellbeing Outcomes as well as those for Criminal Justice and Children and Families. Each section in the Annual Report contained an overview of national performance indicators, community planning, Council and Health Board indicators, as well as giving an overview of work undertaken to deliver the strategic planning priorities with some additional data where relevant.

The main elements of the report set out the HSCP's current strategic approach; work to deliver the strategic priorities over the preceding 12 months; financial performance; detailed performance information; and future key work areas.

Additional sections on public protection; the hosted Specialist Learning Disability Service; and support for staff were also contained in the report.

The report highlighted significant progress across a number of areas including helping older people and people with long-term conditions maintain independence at home and supporting the needs of unpaid carers, amongst others. However the report also highlighted a number of areas where it was considered that performance could be improved and where there would be a focus on improvement in 2019/20. These included improved access to support for children and young people using the Child and Adolescent Mental Health Services (CAMHS), minimising delayed discharges, and reducing the number of A&E attendances.

The Senior Policy, Planning and Performance Officer was heard in further explanation of the report, highlighting that the format of the report had been revised from previous versions, the revisions being based on good practice in other HSCPs.

Thereafter, Councillor Grant referred to the pressures on the Council to release land for housing development and queried whether or not the ability of the HSCP to deal with any increased service demands was taken into consideration.

In reply, the Chief Officer explained that a paper on that issue was being considered by the Integration Joint Board at its meeting following the committee. She clarified that discussions with the health board about the challenges being faced by the HSCP due to increasing population in the area were ongoing. In addition discussions were taking place with officers from the Council's Planning Service about the possibility of obtaining developer contributions as part of any planning consents granted. However whilst these contributions could assist in offsetting capital costs, there would be subsequent ongoing revenue implications.

Councillor O’Kane referred to the report on the Council’s Local Development Plan 2 (LDP2) being considered at the meeting of East Renfrewshire Council that evening which if approved would give the opportunity to consider in more broad terms the consequences of further development.

Councillor Bamforth further highlighted that considering the impact of new housing development on existing services was not grounds for refusing a planning application.

Councillor Bamforth having also welcomed the improvements in relation to CAMHS and that development needs had also been identified, the committee noted the report.

IJB STRATEGIC RISK REGISTER UPDATE

6. Under reference to the Minute of the previous meeting (Item 4 refers) the committee considered a report by the Chief Officer providing an update on the Integration Joint Board Strategic Risk Register.

Having set out the risk matrix used to calculate risk scores, the report then provided further details in respect of those areas considered to be high risks, these being supported by additional information provided by the Head of Finance and Resources (Chief Financial Officer).

The report explained that since the register had been last updated one new risk relating to the In-house Care at Home Service, had been added, to reflect the significant pressures within the service. In addition, there had been some minor wording changes throughout and mitigation timescales added.

The report also highlighted that Financial Sustainability remained a high risk even following mitigation measures, reflecting the current economy and unknown Brexit implications. Furthermore it was explained that there remained the future year risk that the HSCP could become unsustainable due to one of a number of causes, these being listed in the report.

Referring to the risks associated with access to primary care, Ms Monaghan suggested that the wording did not accurately reflect that increased service demand was not exclusively due to high numbers of elderly people in retirement and care homes but was also affected by increasing numbers of young people.

In reply, the Chief Officer acknowledged the various reasons for increased service demand and undertook to review the wording of the risk.

The committee noted the updated Strategic Risk Register.

PERFORMANCE OF HOSTED SERVICES – NHSGGC PODIATRY SERVICE – QUARTER 4 - 2018-19

7. The committee took up consideration of a report by the Chief Officer, providing performance data in relation to the NHSGGC Podiatry Service in the East Renfrewshire area. The report detailed performance on new referrals, waiting times, discharges and caseloads, patient activity and did not attends (DNAs).

NOT YET ENDORSED AS A CORRECT RECORD

The report explained that the service, which was hosted by Renfrewshire HSCP, was open to all age groups without restriction. Despite a 30% increase in referrals since 2015-16, the service had been able to maintain overall 4-week performance due to flexibility in referral management processes.

The report also explained that whilst across the NHSGGC area approximately 35% of the caseload was of patients over 65, in East Renfrewshire this was 43.5% whilst in East Renfrewshire patients over 75 formed around 25% of the caseload. It was also noted that the percentage of patients under 18 in East Renfrewshire was also higher at 11.7% compared to 9%.

Commenting on the report, the Chief Officer referred to the engagement sessions that had been held as part of Moving Forward Together. One of the issues that had emerged through the sessions was the need for a toenail cutting service. Voluntary Action had been approached to explore the possibility of using third sector services for this. In this regard Mrs Kennedy reported that Voluntary Action were currently undertaking some exploratory work

The committee noted the report.

CALENDAR OF MEETINGS 2020

8. The committee considered and approved a report by the Chief Officer with proposed meeting dates for 2020.

DATE OF NEXT MEETING

9. It was reported that the next meeting of the committee would take place on Wednesday 25 September 2019 at 9am in the Council Offices, Main Street, Barrhead.

CHAIR

BLANK PAGE



Meeting of East Renfrewshire Integration Joint Board	Performance and Audit Committee
Held on	25 September 2019
Agenda Item	4
Title	Matters Arising
<p>Summary</p> <p>The purpose of this paper is to update Performance and Audit Committee members on progress regarding matters arising from the discussion which took place at the meeting of 26 June 2019.</p>	
Presented by	Lesley Bairden, Head of Finance and Resources (Chief Social Work Officer)
<p>Action Required</p> <p>Performance and Audit Committee members are asked to note the contents of the report.</p>	

BLANK PAGE

EAST RENFREWSHIRE INTEGRATION JOINT BOARD

PERFORMANCE AND AUDIT COMMITTEE

25 September 2019

Report by Chief Officer

MATTERS ARISING

PURPOSE OF REPORT

1. To update the Performance and Audit Committee on progress regarding matters arising from the discussion which took place at the meeting of 26 June 2019.

RECOMMENDATION

2. Performance and Audit Committee members are asked to note the contents of the report.

REPORT

Advanced Practice Physiotherapists

3. Since the last Performance and Audit Committee meeting we have recruited a further 1 whole time equivalent Advanced Practice Physiotherapist allocated across 2 GP Practices in the Eastwood Locality, covering the 3 GP clusters. As this recruitment is recent, it is too early to see the impact of the new posts. We will bring a further update when measurable data is available.

4. The resource is being received well, with the signposting approach in East Renfrewshire being shared widely as a key enabler.

Audit Actions

5. The audit actions report will be brought to the next committee reflecting the new action plan resulting from the audit of the 2018/19 annual report and accounts. This will include full updates on all plans previously reported.

RECOMMENDATION

6. Performance and Audit Committee members are asked to note the contents of the report.

REPORT AUTHOR AND PERSON TO CONTACT

Lesley Bairden, Head of Finance and Resources (Chief Financial Officer)

lesley.bairden@eastrenfrewshire.gov.uk

0141 451 0746

September 2019

Chief Officer, IJB: Julie Murray

BLANK PAGE

EAST RENFREWSHIRE INTEGRATION JOINT BOARD**PERFORMANCE AND AUDIT COMMITTEE****25 September 2019****Report by Chief Auditor****INTERNAL AUDIT ANNUAL REPORT 2018/19****PURPOSE OF REPORT**

1. To submit the Chief Auditor's Annual Report for 2018/19 which contains an independent opinion on the adequacy and effectiveness of the governance, risk management and internal control systems operating within the integration joint board (IJB).

BACKGROUND

2. Internal Audit is an autonomous unit within the Chief Executive's Office of East Renfrewshire Council. Independence is achieved through the organisational status of internal audit and the objectivity of internal auditors. For the purposes of providing an annual opinion, reliance will be placed on the work of the NHS Greater Glasgow and Clyde (NHSGGC) internal auditors, East Renfrewshire Council internal auditors and any work carried out by other external assessors, for example Audit Scotland and Care Inspectorate.

3. In order to ensure proper coverage and avoid duplication of effort, the internal auditors of the NHSGGC and all the local authorities operating within this Health Board area meet periodically.

ANNUAL REPORT 2018/19

4. The attached annual report (Appendix 1) contains the annual internal audit statement of assurance and concludes that the IJB had adequate and effective internal controls in place proportionate to its responsibilities in the year ended 31 March 2019. The proposed audit plan for 2019/20 is also included within the report.

RECOMMENDATION

5. The Committee is asked to:

- note the contents of internal audit's annual report 2018/19
- note the annual assurance statement and the conclusion that the IJB had adequate and effective internal controls in place proportionate to its responsibilities in 2018/19.
- approve the proposed audit plan for 2019/20.

Further information is available from Michelle Blair, Chief Auditor, telephone 0141 577 3067.

M Blair, Chief Auditor
6 September 2019

BLANK PAGE

INTERNAL AUDIT ANNUAL REPORT 2018/19

INTRODUCTION

1. The Scottish Government established the Integrated Resources Advisory Group (IRAG) to consider the financial implications of integrating health and social care, and to develop professional guidance.
2. The IRAG guidance outlines the responsibility of the integration joint board (IJB) to establish good governance arrangements, including proportionate internal audit arrangements for the review of the adequacy of the arrangements for governance, risk management and control of resources delegated to the IJB.
3. East Renfrewshire Council (ERC) and NHS Greater Glasgow and Clyde (NHSGGC) agreed that East Renfrewshire Council's internal audit service would undertake the internal audit role for the IJB and the Chief Auditor of East Renfrewshire Council was formally appointed to that role by the Integration Joint Board on 7 October 2015.
4. The guidance also states that the IJB has responsibility for reviewing the effectiveness of the governance arrangements including the system of internal control.
5. To inform this review and the preparation of the governance statement, as stated in the CIPFA framework on Delivering Good Governance in Local Government, internal audit is required to provide an annual assurance statement on the overall adequacy and effectiveness of the framework for governance, risk management and control. This annual report contains the opinion on the IJB's internal control framework for the financial year 2018/19.

INTERNAL CONTROL FRAMEWORK

6. In order to ensure the proper conduct of its business, the IJB has a responsibility to develop and implement systems of internal control. The presence of an effective internal audit function contributes towards, but is not a substitute for, effective controls and it remains primarily the responsibility of line management to ensure that internal controls are in place and are operating effectively. A sound control system will help safeguard assets, ensure records are reliable, promote operational efficiency and ensure adherence to IJB policy and procedures. Such systems of internal control can provide only reasonable and not absolute assurance against loss.
7. An excellent working relationship exists between internal audit and Audit Scotland, the IJB's appointed external auditors. Information on audit planning and the progress of audit work is regularly exchanged on an informal basis which helps avoid duplication of effort and maximises audit resources. Audit Scotland review the work of internal audit annually to consider whether reliance can be placed on internal audit's work and it is pleasing to be able to report that Audit Scotland continue to be able to place reliance on internal audit's work as the standard of work meets their requirements.
8. East Renfrewshire IJB commissions East Renfrewshire Council and NHS Greater Glasgow and Clyde to provide services on its behalf, both of which operate in compliance with the Public Sector Internal Audit Standards (PSIAS). As such, any significant governance issues reported in either the Council's or NHS Greater Glasgow and Clyde's 2018/19 Annual Governance Statements are considered for relevance to the East Renfrewshire IJB. No significant issues were reported in either of these however the following is noted and brought to the committee's attention as relevant to the IJB:

- There have been operational issues within the Care at Home service which resulted in failure to take proper account of the requirements of the regulatory body. The Care Inspectorate report titled Housing Support Service concluded that the quality of care and support and management and leadership was unsatisfactory and that quality of staffing was weak. This report resulted in three requirements being set by the Care Inspectorate in addition to the six requirements and one recommendation from the previous report which had not been implemented. It is acknowledged that progress against implementing requirements and the recommendation has been presented to the IJB in March 2019 and August 2019 and the issues raised in the report were brought to the Council's elected members' attention in March 2019.

ACHIEVEMENT OF 2018/19 ANNUAL AUDIT PLAN

9. The 2018/19 audit plan provided 20 days and was approved by the Performance and Audit Committee on 26 September 2018. The audit work to be covered specific to the IJB was a follow-up of progress against previous internal audit recommendations with the remaining days held in reserve to address any emerging issues as they arose, to be used in consultation with the Head of Finance and Resources. No such issues were identified.

10. A follow-up audit was carried out on the report on governance which was considered by the Performance and Audit Committee in June 2018. Six recommendations were made, of which two are still outstanding as follows:

- a Workforce Development Plan and Organisational Development Strategy is still not in place. Key Scottish Government guidance which affects this has been delayed and is not now expected until late 2019. (medium risk)
- Carer's representation on the Clinical and Care Governance Committee (now replaced by the Clinical and Care Governance Group) is still not in place due to clarification required on confidentiality and governance issues still to be resolved. (low risk)

PLANNED WORK FOR 2019/20

11. The internal audit plan for the Council was approved by the Audit and Scrutiny Committee on 14 March 2019 and included an allocation of 20 days for IJB audit commitments. This is consistent with previous year audit allocations for the IJB.

12. Internal audits which are of relevance and interest to the IJB will be carried out in both the Council and the Health Board by their respective internal audit teams and these will be detailed within the relevant organisation's audit plans. Specific to the IJB however, audits have been carried out on the integration scheme, performance management arrangements, review of governance arrangements and consultation on compilation of code of governance.

13. The proposed plan includes delivery of standard items that are required each year. In preparing the proposed plan, the Head of Finance and Resources was consulted and previous audit findings and risks affecting the IJB were considered. The plan is prepared on the basis that operational controls over services are assured through the internal audits of NHSGCC and ERC and the IJB internal audit plan therefore complements these other plans.

14. It is proposed that the 20 days allocated are spent as follows:

Audit	Description/indicative scope	Planned Days
Risk Management	Review of the IJB's risk management arrangements to ensure: <ul style="list-style-type: none"> • Risk management policy and strategy is adhered to • risk registers are regularly updated and reported to IJB • actions noted as being required to mitigate risks are SMART • actions in place to mitigate risks can be evidenced • risk ratings appear reasonable in light of actions in place and after further proposed actions are taken to mitigate risks further. 	11
Follow-Up	Audit the progress made against implementing previous internal audit recommendations, undertaking additional testing as required.	3
Planning, Reporting and Administration	Audit committee attendance, preparation of reports and miscellaneous time spent liaising with management, partner organisations and peers.	6
Total		20

ANNUAL INTERNAL AUDIT OPINION

15. The ERC annual report and assurance statement for 2018/19 did not highlight any significant failures in controls and was presented to the Council's Audit and Scrutiny Committee in June 2019.

16. The internal auditors for NHSGCC have provided details of their annual report and assurance statement for 2018/19. The Chief Audit Executive's opinion was that governance, risk management and control in business critical areas is generally satisfactory.

17. The Internal Audit Annual Statement of Assurance for East Renfrewshire IJB is attached.

CONCLUSION

18. Audit is satisfied that the required financial assurance and governance arrangements were in place to support the delegation of functions to the integration joint board for the year ended 31 March 2019. The IJB has produced a Governance Statement which concurs with this conclusion.

INTERNAL AUDIT ANNUAL STATEMENT OF ASSURANCE FOR 2018/19

As Chief Auditor of East Renfrewshire Integration Joint Board, I am pleased to present my annual statement on the adequacy and effectiveness of the governance, risk management and internal control systems of the East Renfrewshire Integration Joint Board for the year ended 31 March 2019.

Respective responsibilities of management and Internal Audit in relation to Governance, Risk Management and Internal controls

It is the responsibility of the Board and IJB senior management to establish appropriate and sound systems of governance, risk management and internal control and to monitor the continuing effectiveness of these systems. It is the responsibility of the Chief Auditor to provide an annual overall assessment of the robustness of governance, risk management and internal control.

Framework of Governance, Risk Management and Internal Controls

The Integration Joint Board uses the systems of East Renfrewshire Council (ERC) and NHS Greater Glasgow and Clyde (NHSGGC) to manage its financial records.

The main objectives of the internal control systems are:

- To ensure adherence to management policies and directives in order to achieve the Integration Joint Board's objectives;
- To safeguard assets;
- To ensure the relevance, reliability and integrity of information, so ensuring as far as possible the completeness and accuracy of records; and
- To ensure compliance with statutory requirements.

Any system of control can only ever provide reasonable and not absolute assurance that control weaknesses or irregularities do not exist or that there is no risk of material errors, losses, fraud, or breaches of laws or regulations. Accordingly, ERC and NHSGGC continually seek to improve the effectiveness of their systems of internal control.

The work of Internal Audit

Internal Audit is an independent appraisal function established for the review of the internal control system as a service to the organisation. It objectively examines, evaluates and reports on the adequacy of internal control as a contribution to the proper, economic, efficient and effective use of the organisation's resources.

The operational delivery of services within ERC and NHSGGC on behalf of the IJB will be covered by their respective internal audit arrangements.

There is a requirement that the IJB internal audit service operates in accordance with the Public Sector Internal Audit Standards (PSIAS) which came into effect on 1 April 2013. The East Renfrewshire Council Internal Audit service operates in accordance with the PSIAS and undertakes an annual programme of work which is approved and monitored by the Council's Audit and Scrutiny Committee. The internal audit service for NHSGGC is provided by Scott-Moncrieff whose audit methodology also conforms to PSIAS.

ERC's internal audit section provided an annual report and assurance statement for 2018/19 which was submitted to the Council's Audit and Scrutiny Committee on 20 June 2019 for approval. The audit opinion concluded that reasonable assurance can be placed upon the adequacy and effectiveness of the Council's framework of governance, risk management and internal control for the year ended 31 March 2019.

NHSGGC's internal auditor provided an annual report to the NHS dated June 2019 which contained the Chief Audit Executive's opinion which concluded that the internal control framework of NHSGGC provides reasonable assurance regarding the achievement of objectives, management of key risks and

the delivery of best value, except in relation to performance reporting, payroll and sickness absence. Nine audit findings identified during 2018/19 in these three areas were rated as high risk.

Basis of Opinion

My evaluation of the control environment is informed by a number of sources:

- The audit work undertaken by ERC Internal Audit staff during the year to 31 March 2019
- The audit work undertaken by Scott-Moncrieff who are the appointed auditors of NHSGGC during the year to 31 March 2019.
- Chief Auditor’s knowledge of the IJB’s activities for the year ended 31 March 2019.

Opinion

It is my opinion, based on the information available and assurances provided, that reasonable assurance can be placed on the framework of governance, risk management and internal controls which operated in the East Renfrewshire Integration Joint Board in the year to 31 March 2019.

Michelle Blair FCA
Chief Auditor

6 September 2019

BLANK PAGE

Performance and Audit Committee

25 September 2019

East Renfrewshire Health and Social Care Partnership Integration Joint Board Audit of 2018/19 annual accounts

Independent auditor's report

1. Our audit work on the 2018/19 annual accounts is now complete. Subject to the conclusion of our final review of the revised set of annual accounts, we anticipate being able to issue unqualified audit opinions in the independent auditor's report on 30 September 2019 (the proposed report is attached at [Appendix A](#)).

Annual audit report

2. Under International Standards on Auditing in the UK, we report specific matters arising from the audit of the financial statements to those charged with governance of a body in sufficient time to enable appropriate action. We present for the Performance and Audit Committee's consideration our draft annual report on the 2018/19 audit. The section headed "Significant findings from the audit in accordance with ISA 260" sets out the issues identified in respect of the annual accounts.
3. The report also sets out conclusions from our consideration of the four audit dimensions that frame the wider scope of public audit as set out in the Code of Audit Practice.
4. This report will be issued in final form after the annual accounts have been certified.

Unadjusted misstatements

5. We also report to those charged with governance all unadjusted misstatements which we have identified during the course of our audit, other than those of a trivial nature and request that these misstatements be corrected.
6. We have no unadjusted misstatements to be corrected.

Representations from Section 95 Officer

7. As part of the completion of our audit, we are seeking written representations from the Chief Finance Officer on aspects of the annual accounts, including the judgements and estimates made.

8. A draft letter of representation is attached at **Appendix B**. This should be signed and returned to us by the Chief Finance Officer with the signed annual accounts prior to the independent auditor's report being certified.

APPENDIX A: Proposed Independent Auditor's Report

Independent auditor's report to the members of East Renfrewshire Health and Social Care Partnership Integration Joint Board and the Accounts Commission

Report on the audit of the financial statements

Opinion on financial statements

I certify that I have audited the financial statements in the annual accounts of East Renfrewshire Health and Social Care Partnership Integration Joint Board for the year ended 31 March 2019 under Part VII of the Local Government (Scotland) Act 1973. The financial statements comprise the Comprehensive Income and Expenditure Statement, Movement in Reserves Statement, Balance Sheet and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union, and as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2018/19 (the 2018/19 Code).

In my opinion the accompanying financial statements:

- give a true and fair view in accordance with applicable law and the 2018/19 Code of the state of affairs of the body as at 31 March 2019 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union, as interpreted and adapted by the 2018/19 Code; and
- have been prepared in accordance with the requirements of the Local Government (Scotland) Act 1973, The Local Authority Accounts (Scotland) Regulations 2014, and the Local Government in Scotland Act 2003.

Basis for opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the Code of Audit Practice approved by the Accounts Commission for Scotland. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I was appointed by the Accounts Commission on 07 January 2019. This is the first year of my appointment. I am independent of the body in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. Non-audit services prohibited by the Ethical Standard were not provided to the body. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern basis of accounting

I have nothing to report in respect of the following matters in relation to which the ISAs (UK) require me to report to you where:

- the use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Head of Finance and Resources has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the body's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Risks of material misstatement

I have reported in a separate Annual Audit Report, which is available from the [Audit Scotland website](#), the most significant assessed risks of material misstatement that I identified and my conclusions thereon.

Responsibilities of the Head of Finance and Resources and Performance and Audit Committee for the financial statements

As explained more fully in the Statement of Responsibilities, the Head of Finance and Resources is responsible for the preparation of financial statements that give a true and fair view in accordance with the financial reporting framework, and for such internal control as the Head of Finance and Resources determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Head of Finance and Resources is responsible for assessing the body's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless deemed inappropriate. The Performance and Audit Committee is responsible for overseeing the financial reporting process.

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, intentional omissions, misrepresentations, or the override of internal control. The capability of the audit to detect fraud and other irregularities depends on factors such as the skilfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved. I therefore design and perform audit procedures which respond to the assessed risks of material misstatement due to fraud.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor's report.

Other information in the annual accounts

The Head of Finance and Resources is responsible for the other information in the annual accounts. The other information comprises the information other than the financial statements, the audited part of the Remuneration Report, and my auditor's report thereon. My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon except on matters prescribed by the Accounts Commission to the extent explicitly stated later in this report.

In connection with my audit of the financial statements, my responsibility is to read all the other information in the annual accounts and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work I have

performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Report on other requirements

Opinions on matters prescribed by the Accounts Commission

In my opinion, the audited part of the Remuneration Report has been properly prepared in accordance with The Local Authority Accounts (Scotland) Regulations 2014.

In my opinion, based on the work undertaken in the course of the audit:

- the information given in the Management Commentary for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with statutory guidance issued under the Local Government in Scotland Act 2003; and
- the information given in the Annual Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Delivering Good Governance in Local Government: Framework (2016).

Matters on which I am required to report by exception

I am required by the Accounts Commission to report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and the audited part of the Remuneration Report are not in agreement with the accounting records; or
- I have not received all the information and explanations I require for my audit

I have nothing to report in respect of these matters.

Conclusions on wider scope responsibilities

In addition to my responsibilities for the annual accounts, my conclusions on the wider scope responsibilities specified in the Code of Audit Practice, including those in respect of Best Value, are set out in my Annual Audit Report.

Use of my report

This report is made solely to the parties to whom it is addressed in accordance with Part VII of the Local Government (Scotland) Act 1973 and for no other purpose. In accordance with paragraph 120 of the Code of Audit Practice, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

John Cornett, FCPFA
Audit Director
Audit Scotland
4th Floor
8 Nelson Mandela Place
Glasgow
G2 1BT

30 September 2019

APPENDIX B: Letter of Representation (ISA 580)

John Cornett, Audit Director
Audit Scotland
4th Floor
8 Nelson Mandela Place
Glasgow
G2 1BT

Dear John,

East Renfrewshire Health and Social Care Partnership Integration Joint Board Annual Accounts 2018/19

1. This representation letter is provided in connection with your audit of the annual accounts of East Renfrewshire Health and Social Care Partnership Integration Joint Board for the year ended 31 March 2019 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view in accordance with the financial reporting framework, and for expressing other opinions on the remuneration report, management commentary and annual governance statement.
2. I confirm to the best of my knowledge and belief and having made appropriate enquiries of the Performance and Audit Committee, the following representations given to you in connection with your audit of East Renfrewshire Health and Social Care Partnership Integration Joint Board annual accounts for the year ended 31 March 2019.

General

3. East Renfrewshire Health and Social Care Partnership Integration Joint Board and I have fulfilled our statutory responsibilities for the preparation of the 2018/19 annual accounts. All the accounting records, documentation and other matters which I am aware are relevant to the preparation of the annual accounts have been made available to you for the purposes of your audit. All transactions undertaken by East Renfrewshire Health and Social Care Partnership Integration Joint Board have been recorded in the accounting records and are properly reflected in the financial statements.
4. I confirm that the effects of uncorrected misstatements are immaterial, individually and in aggregate, to the financial statements as a whole. I am not aware of any uncorrected misstatements.

Financial Reporting Framework

5. The annual accounts have been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2018/19 (2018/19 accounting code), mandatory guidance from LASAAC, and the requirements of the Local Government (Scotland) Act 1973, the Local Government in Scotland Act 2003 and The Local Authority Accounts (Scotland) Regulations 2014.

6. In accordance with the 2014 regulations, I have ensured that the financial statements give a true and fair view of the financial position of the East Renfrewshire Health and Social Care Partnership Integration Joint Board at 31 March 2019 and the transactions for 2018/19.

Accounting Policies & Estimates

7. All significant accounting policies applied are as shown in the notes to the financial statements. The accounting policies are determined by the 2018/19 accounting code, where applicable. Where the code does not specifically apply, I have used judgement in developing and applying an accounting policy that results in information that is relevant and reliable. All accounting policies applied are appropriate to East Renfrewshire Health and Social Care Partnership Integration Joint Board's circumstances and have been consistently applied.
8. The significant assumptions used in making accounting estimates are reasonable and properly reflected in the financial statements. Judgements used in making estimates have been based on the latest available, reliable information. Estimates have been revised where there are changes in the circumstances on which the original estimate was based or as a result of new information or experience.

Going Concern Basis of Accounting

9. I have assessed East Renfrewshire Health and Social Care Partnership Integration Joint Board's ability to continue to use the going concern basis of accounting and have concluded that it is appropriate. I am not aware of any material uncertainties that may cast significant doubt on East Renfrewshire Health and Social Care Partnership Integration Joint Board's ability to continue as a going concern.

Liabilities

10. All liabilities at 31 March 2019 of which I am aware have been recognised in the annual accounts.
11. There are no plans or intentions that are likely to affect the carrying value or classification of the liabilities recognised in the financial statements.

Fraud

12. I have provided you with all information in relation to
 - my assessment of the risk that the financial statements may be materially misstated as a result of fraud
 - any allegations of fraud or suspected fraud affecting the financial statements
 - fraud or suspected fraud that I am aware of involving management, employees who have a significant role in internal control, or others that could have a material effect on the financial statements.

Laws and Regulations

13. I have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements.

Related Party Transactions

14. All material transactions with related parties have been appropriately accounted for and disclosed in the financial statements in accordance with the 2018/19 accounting code. I have made

available to you the identity of all the East Renfrewshire Health and Social Care Partnership Integration Joint Board's related parties and all the related party relationships and transactions of which I am aware.

Remuneration Report

- 15. The Remuneration Report has been prepared in accordance with the Local Authority Accounts (Scotland) Regulations 2014, and all required information of which I am aware has been provided to you.

Management commentary

- 16. I confirm that the Management Commentary has been prepared in accordance with the statutory guidance and the information is consistent with the financial statements.

Corporate Governance

- 17. I confirm that the East Renfrewshire Health and Social Care Partnership Integration Joint Board has undertaken a review of the system of internal control during 2018/19 to establish the extent to which it complies with proper practices set out in the Delivering Good Governance in Local Government: Framework 2016. I have disclosed to you all deficiencies in internal control identified from this review or of which I am otherwise aware.
- 18. I confirm that the Annual Governance Statement has been prepared in accordance with the Delivering Good Governance in Local Government: Framework 2016 and the information is consistent with the financial statements. There have been no changes in the corporate governance arrangements or issues identified, since 31 March 2019, which require to be reflected.

Balance Sheet

- 19. All events subsequent to 31 March 2019 for which the 2018/19 accounting code requires adjustment or disclosure have been adjusted or disclosed.

Yours sincerely

Lesley Bairden
Head of Finance and Resources
East Renfrewshire Health and Social Care Partnership Integration Joint Board

East Renfrewshire Health and Social Care Integration Joint Board

2018/19 Annual Audit Report - DRAFT



 AUDIT SCOTLAND

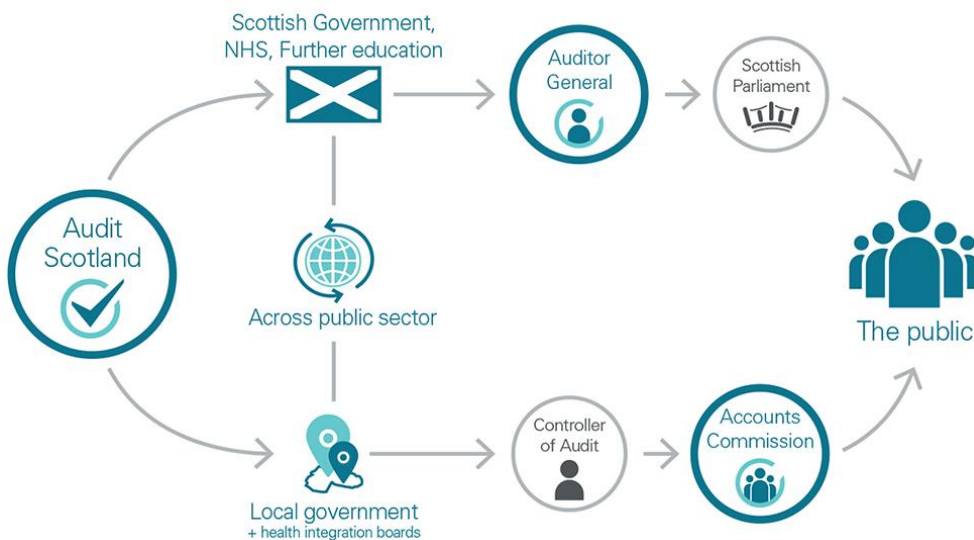
Prepared for the East Renfrewshire Integration Joint Board and the Controller of Audit

25 SEPTEMBER 2019

Who we are

The Auditor General, the Accounts Commission and Audit Scotland work together to deliver public audit in Scotland:

- The Auditor General is an independent crown appointment, made on the recommendation of the Scottish Parliament, to audit the Scottish Government, NHS and other bodies and report to Parliament on their financial health and performance.
- The Accounts Commission is an independent public body appointed by Scottish ministers to hold local government to account. The Controller of Audit is an independent post established by statute, with powers to report directly to the Commission on the audit of local government.
- Audit Scotland is governed by a board, consisting of the Auditor General, the chair of the Accounts Commission, a non-executive board chair, and two non-executive members appointed by the Scottish Commission for Public Audit, a commission of the Scottish Parliament.



About us

Our vision is to be a world-class audit organisation that improves the use of public money.

Through our work for the Auditor General and the Accounts Commission, we provide independent assurance to the people of Scotland that public money is spent properly and provides value. We aim to achieve this by:

- carrying out relevant and timely audits of the way the public sector manages and spends money
- reporting our findings and conclusions in public
- identifying risks, making clear and relevant recommendations.

Contents

Key messages	4
Introduction	5
Part 1 Audit of 2018/19 annual accounts	7
Part 2 Financial management and sustainability	10
Part 3 Governance, transparency and value for money	15
Appendix 1 Action plan 2018/19	20
Appendix 2 Significant audit risks identified during planning	22
Appendix 3 Summary of national performance reports 2018/19	24

Key messages

2018/19 annual report and accounts

- 1 The financial statements of the East Renfrewshire Health and Social Care Integration Joint Board (IJB) give a true and fair view of the state of affairs of the IJB at 31 March 2019 and of its income and expenditure for the year then ended, and were properly prepared.
- 2 The management commentary, audited part of the remuneration report and annual governance statement were consistent with the financial statements and prepared in accordance with proper accounting practices.

Financial management and sustainability

- 3 The IJB has appropriate and effective financial planning arrangements in place. The budgetary processes provide timely and reliable information for monitoring financial performance.
- 4 The IJB incurred a surplus of £0.528 million in 2018/19, giving the IJB a total reserves balance of £5.337 million as at 31 March 2019. The IJB's medium term financial plan details a funding gap of £3.1 million for 2019/20 and the IJB has already identified savings to meet this gap. Potential future funding gaps could be up to £5.4 million per year or £16.2 million cumulatively over the period to 2023/24 depending on future funding levels.
- 5 There may be considerable financial pressures over the short to medium term and achieving these savings without adversely impacting on the level of services will be a significant challenge.

Governance, transparency and value for money

- 6 The IJB has appropriate governance arrangements in place that support the scrutiny of decisions by the board and is committed to openness and transparency.
- 7 The IJB can demonstrate a variety of arrangements to ensure best value. There would be benefit in future Annual Performance Reports including an assessment of how the IJB is meeting its best value duties in the delivery of services.
- 8 Overall the IJB has effective arrangements for managing performance and monitoring progress towards their strategic objectives. There is scope for adding to the Strategic Plan the indicators by which the IJB will measure its performance and progress in achieving its strategic priorities.

Introduction

1. This report is a summary of our findings arising from the 2018/19 audit of the East Renfrewshire Health and Social Care Integration Joint Board (henceforth known as the “IJB”).

2. The scope of our audit was set out in our Annual Audit Plan presented to the Performance and Audit Committee meeting on 20 March 2019. This report comprises the findings from our main elements of work in 2018/19 including:

- an audit of the IJB's 2018/19 annual report and accounts including issuing an independent auditor's report setting out my opinion
- consideration of the four audit dimensions that frame the wider scope of public audit set out in the [Code of Audit Practice 2016](#) as illustrated in [Exhibit 1](#).

Exhibit 1 Audit dimensions



Source: *Code of Audit Practice 2016*

Adding value through the audit

3. We add value to the IJB, through audit, by:

- identifying and providing insight on significant risks, and making clear and relevant recommendations for improvements that have been accepted by management
- reporting our findings and conclusions in public
- sharing intelligence and good practice through our national reports ([Appendix 4](#)) and good practice guides

- providing clear and focused conclusions on the appropriateness, effectiveness and impact of corporate governance, performance management arrangements and financial sustainability.

4. In so doing, we aim to help the IJB promote improved standards of governance, better management and decision making and more effective use of resources.

Responsibilities and reporting

5. The IJB has primary responsibility for ensuring the proper financial stewardship of public funds. This includes preparing an annual report and accounts that are in accordance with proper accounting practices. The IJB is responsible for compliance with legislation, and putting arrangements in place for governance, propriety and regularity that enable it to successfully deliver its objectives.

6. Our responsibilities, as independent auditor appointed by the Accounts Commission, are established by the Local Government (Scotland) Act 1973, the Code of Audit Practice (2016), supplementary guidance, and International Standards on Auditing in the UK.

7. As public sector auditors we give independent opinions on the annual accounts. Additionally, we conclude on:

- the appropriateness and effectiveness of the performance management arrangements,
- the suitability and effectiveness of corporate governance arrangements,
- the financial position and arrangements for securing financial sustainability.

8. In doing this we aim to support improvement and accountability. Further details of the respective responsibilities of management and the auditor can be found in the [Code of Audit Practice 2016](#) and supplementary guidance.

9. This report raises matters from the audit of the annual report and accounts and consideration of the audit dimensions. Weaknesses or risks identified are only those which have come to our attention during our normal audit work and may not be all that exist. Communicating these does not absolve management from its responsibility to address the issues we raise and to maintain adequate systems of control.

10. Our annual audit report contains an agreed action plan at [Appendix 1](#). It sets out specific recommendations, responsible officers and dates for implementation. It also includes outstanding actions from last year and the steps being taken to implement them.

11. We can confirm that we comply with the Financial Reporting Council's Ethical Standard. We can confirm that we have not undertaken any non-audit related services and therefore the 2018/19 audit fee of £25,000, as set out in our Annual Audit Plan, remains unchanged. We are not aware of any relationships that could compromise our objectivity and independence.

12. This report is addressed to both the board and the Controller of Audit and will be published on Audit Scotland's website www.audit-scotland.gov.uk in due course.

13. We would like to thank all management and staff who have been involved in our work for their co-operation and assistance during the audit.

Part 1

Audit of 2018/19 annual report and accounts



Main judgements

The financial statements of the East Renfrewshire Health and Social Care Integration Joint Board (IJB) give a true and fair view of the state of affairs of the IJB at 31 March 2019 and of its income and expenditure for the year then ended, and were properly prepared.

The management commentary, audited part of the remuneration report and annual governance statement were consistent with the financial statements and prepared in accordance with applicable guidance.

The annual report and accounts are the principal means by which the IJB accounts for the stewardship of its resources and performance in the use of those resources.

Audit opinions on the annual report and accounts

14. The annual report and accounts for the year ended 31 March 2019 were approved by the board on 25 September 2019. We reported within the independent auditor's report that:

- the financial statements of the East Renfrewshire Health and Social Care Integration Joint Board give a true and fair view of the state of affairs of the IJB at 31 March 2019 and of its income and expenditure for the year then ended, and were properly prepared.
- the audited part of the remuneration report, management commentary, and annual governance statement were all consistent with the financial statements and properly prepared in accordance with proper accounting practices.

15. Additionally, we have nothing to report in respect of misstatements in information other than the financial statements, the adequacy of accounting records, and the information and explanations we received.

Submission of annual report and accounts for audit

16. We received the unaudited annual report and accounts on 27 June 2019 in line with our agreed audit timetable. Additionally, the IJB provided the necessary information to NHS Greater Glasgow and Clyde for consolidation purposes in line with the agreed timetable between the partnership bodies. The financial information provided to the Health Board did not require subsequent amendment. The IJB also provided the required financial information to East Renfrewshire Council in time for the Council to prepare its draft group accounts.

17. The working papers provided with the unaudited annual accounts were of a good standard and finance staff provided good support to the audit team which helped ensure the audit process ran smoothly.

Risks of material misstatement

18. [Appendix 2](#) provides a description of those assessed risks of material misstatement in the financial statements and any wider audit dimension risks that were identified during the audit planning process. It also summarises the work we have done to gain assurance over the outcome of these risks.

19. We have no specific issues to report from our work on the risks of material misstatement highlighted in our 2018/19 Annual Audit Plan. The risk regarding financial sustainability remains an issue for consideration and as such has been included within the action plan at [Appendix 1](#).

Materiality

20. Misstatements are material if they could reasonably be expected to influence the economic decisions of users which have been based on the financial statements. The assessment of what is material is a matter of professional judgement. It involves considering both the amount and nature of the misstatement. It is affected by our perception of the financial information needs of users of the financial statements.

21. Our initial assessment of materiality for the annual report and accounts was carried out during the planning phase of the audit. Specifically, regarding the annual report and accounts we assess the materiality of uncorrected misstatements, both individually and collectively.

22. On receipt of the unaudited annual report and accounts we reviewed our materiality calculations and concluded the approach remained appropriate. [Exhibit 2](#).

Exhibit 2 Materiality values

Materiality level	Amount
Overall materiality	£3 million
Performance materiality	£1.8 million
Reporting threshold	£30 thousand

Source: Audit Scotland Annual Audit Plan 2018/19

Significant findings from the audit in accordance with ISA 260

23. International Standard on Auditing (UK) 260 requires us to communicate significant findings from the audit to those charged with governance, including our view about the qualitative aspects of the body's accounting practices covering accounting policies, accounting estimates and financial statements disclosures.

24. A number of changes were requested to the disclosures within the annual report, however, there were no significant findings that require inclusion within the ISA 260 section of the report.

How we evaluate misstatements

25. There were no material adjustments to the unaudited annual report and accounts arising from our audit. All misstatements identified were below the reporting threshold. There are no material unadjusted errors.

Follow up of prior year recommendations

26. The IJB has made good progress in implementing our prior year audit recommendations. For actions not yet implemented, revised responses and timescales have been agreed with management, and are set out in [Appendix 1](#).

Part 2

Financial management and sustainability



Main judgements

The IJB has appropriate and effective financial planning arrangements in place. The budgetary processes provide timely and reliable information for monitoring financial performance.



The IJB incurred a surplus of £0.528 million in 2018/19, giving the IJB a total reserves balance of £5.337 million as at 31 March 2019. The IJB's medium term financial plan details a funding gap of £3.1 million for 2019/20 and the IJB has already identified savings to meet this gap. Potential future funding gaps could be up to £5.4 million per year or £16.2 million cumulatively over the period to 2023/24 depending on future funding levels.

There may be considerable financial pressures over the short to medium term and achieving these savings without adversely impacting on the level of services will be a significant challenge.

Good financial management derives from financial capacity, sound budgetary processes and whether the control environment and internal controls are designed and operating effectively.

Financial management

27. As auditors, we need to consider whether audited bodies have established adequate financial management arrangements. We do this by considering several factors, including whether:

- the Chief Financial Officer has sufficient status to be able to deliver good financial management
- standing financial instructions and standing orders are comprehensive, current and promoted within the IJB
- reports monitoring performance against budgets are accurate and provided regularly to budget holders
- monitoring reports do not just contain financial data but are linked to information about performance
- IJB members provide a good level of challenge and question budget holders on significant variances.

28. It is clear that the Chief Financial Officer has sufficient status in the IJB to deliver good financial management. In addition, budget monitoring reports are of good quality with comprehensive information based on sound data, allowing for a sufficient level of understanding as well as significant scrutiny and challenge by members.

29. Budget monitoring reports, however, contain solely financial data and are not linked to information about performance. The IJB do prepare separate performance reports detailing key performance indicators that are linked to strategic objectives

and national outcomes. Performance is monitored against targets and prior year performance. The IJB are in the early stages of examining the potential benefits of further integrating financial and performance information and discussions are ongoing.

30. Standing financial instructions and standing orders are comprehensive and current. Whilst they have not been reviewed by the IJB or the Performance and Audit Committee since approval in 2015, they are reviewed annually by the Chief Financial Officer (CFO) with the intention of reporting where an update is required. The CFO also provides an annual confirmation to the IJB's partner bodies that the standing financial instructions and standing orders are current.

Systems of internal control

31. The IJB does not maintain its own financial systems but instead relies on those in place at East Renfrewshire Council and NHS Greater Glasgow and Clyde.

32. As part of our audit approach the assurances we received from the external auditors of NHS Greater Glasgow and Clyde and East Renfrewshire Council confirmed that there were no weaknesses in the systems of internal controls at both the health board and the Council.

Internal audit

33. Internal audit provides the IJB Board with independent assurance on risk management, internal control and corporate governance processes.

34. The internal audit function is carried out by East Renfrewshire Council. We reviewed the IJB's internal audit arrangements in accordance with International Standard on Auditing (UK) 610 (Using the Work of Internal Auditors).

35. To avoid duplication of effort we seek to use the work of internal audit wherever possible. In 2018/19 we did not use the work of internal audit due to the particular focus of their work during in the year. We did consider Internal Audit's previous work on the Code of Governance and have noted that two recommendations are ongoing.

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

36. The 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 partnership bodies. We reviewed the arrangements in place at East Renfrewshire Council and NHS Greater Glasgow and Clyde and found them to be adequate.

37. The IJB has a Code of Conduct in place to which members subscribe and the Members' Registers of Interest is publicly available on the Board's website.

38. The IJB has appropriate arrangements for the prevention and detection of bribery and corruption. We are not aware of any specific issues we require to bring to your attention.

Dependency on key suppliers

39. The impact of a failure or collapse of a key supplier can be significant to an organisation and can result in either delays or non-completion of major contracts or, disruptions in the continued provision of vital services.

40. The IJB has appropriate arrangements in place for managing the risk of key supplier dependency, including:

- Regular contract and compliance monitoring of key suppliers and ongoing discussions with key supplier contacts, including discussion of potential issues identified through media reviews conducted by IJB officers.
- Monitoring the risk of key supplier failure included within the IJB's risk register along with mitigating actions.
- Reporting any issues relating to suppliers to members of the IJB

Financial performance in 2018/19

41. The IJB does not have any assets, nor does it directly incur expenditure or employ staff, other than the Chief Officer. All funding and expenditure for the IJB is incurred by partner bodies and processed in their accounting records. Satisfactory arrangements are in place to identify this income and expenditure and report this financial information to the IJB.

42. The IJB returned an underspend against budget of £0.528 million in 2018/19. Funding and income totalled £155.237 million and expenditure was £154.709 million.

Financial sustainability looks to the medium and longer term to consider whether the IJB is planning effectively to continue to deliver its services or the way in which they should be delivered.

Financial planning and sustainability

43. The IJB approved its medium term financial plan (MTFP) for the years 2019/20 to 2023/24 in March 2019. This was prepared with reference to the Scottish Government's medium term financial strategy (MTFS) and is one of the IJB's key strategic documents along with the strategic plan and strategic commissioning plan.

44. The MTFP details the anticipated cost pressures and potential funding gaps, considering the likely level of demand for services and a high level sensitivity analysis. The plan identifies a funding gap of £3.1 million for 2019/20. Potential future funding gaps could be up to £5.4 million per year or £16.2 million over the period to 2023/24 depending on funding levels. Savings have been identified within the strategic commissioning plan of £3.1 million for 2019/20, however the plan highlights that if a similar level of savings is required going forward, this is likely to only be achieved through a reduction of care packages and retraction of services.

45. The IJB's MTFS was reviewed against the Audit Scotland report "Scotland's public finances: A follow-up audit: Progress in meeting the challenges" and it was concluded that, overall the MTFS meets the guidance, however, there is scope for improvement, particularly around linking the MTFP with the strategic plan.

46. Overall, the IJB's medium term financial strategy is in line with good practice. There is further scope for improving the links between the medium term financial plan and the targets and outcomes in the IJB's strategic plan.

Efficiency savings

47. There is a continued requirement for the IJB to make efficiency savings in order to maintain financial balance. In 2018/19 the IJB budgeted to make efficiency savings of £1.024 million and this was achieved.

48. A savings targets of £3.1 million has been set for 2019/20 and a savings plan has been identified to deliver these. The delivery of savings is monitored regularly as part of revenue budget monitoring reports presented to the Board. A savings requirement of between £3 million to £3.5 million has been identified for 2020/21,

for which work is ongoing to assess the impact of potential savings options on services.

49. The savings plans for 2019/20 are evidence based. They reflect historic budget monitoring reports and discussions with heads of service and accountants on areas of regular underspend and service improvement.

50. The Fit for the Future Service project is the IJB's staffing structure re-design. Progress against this is measured regularly as part of each revenue budget monitoring report. The IJB has successfully achieved the 2018/19 Fit for the Future planned savings of £0.954 million and implemented significant change to both the management structure and delivery of services. Fit for the Future Phase Two has now commenced with a savings target of £0.250 million.

51. The other main service change or redesign projects include a review of care packages and the digitalisation of processes.



Recommendation 1

The IJB should finalise savings options for 2020/21 which link to, and support, the Fit for the Future programme and other service change programmes and which reflect an assessment of the potential impact on service delivery.

Reserves strategy

52. The IJB's reserves strategy sets a level of unearmarked general reserves at 2% of the IJB's revenue budget, excluding significant fixed costs such as Family Health Service, Prescribing and Specialist Services. This equates to approximately £1 million. The IJB holds unearmarked general reserves of £0.272 million as at 31 March 2019, significantly below the £1 million target. The IJB does, however, have earmarked reserves of £1.861 million to deal specifically with future budget savings and in year pressures.

53. The current reserves held by the IJB are considered appropriate in the short term, however, there is a risk in the longer term given the predicted financial challenges.

EU Withdrawal

54. There remains significant uncertainty surrounding the terms of the UK's withdrawal from the European Union (EU). EU withdrawal will inevitably have implications for devolved government in Scotland. It is critical that public sector bodies are working to understand, assess and prepare for the impact on their business in three broad areas:

- Workforce – the extent to which potential changes to migration are likely to affect the availability of the people and skills needed to deliver services.
- Funding – the extent to which potential changes to existing EU funding programmes are likely to affect the finances of public bodies and the activity that such funding supports.
- Regulation – the extent to which potential changes to EU regulations are likely to affect the activities of some public bodies.

55. The risk of EU withdrawal is a standing item on the IJB's strategic risk register and is a key feature of its communication with partner bodies. During 2018/19 the

Corporate Management Teams of East Renfrewshire Council and NHS Greater Glasgow Clyde, of which the Chief Officer of the IJB is a member, considered a number of papers detailing the risks and implications associated with EU withdrawal as well as the suggested mitigating actions. “No deal” implications have been considered as well as the potential impact on funding, regulations and the workforce. The IJB has taken appropriate steps in preparing for EU withdrawal.

Changing landscape for public financial management

56. Scottish public finances are fundamentally changing, with significant tax-raising powers, new powers over borrowing and reserves, and responsibility for some social security benefits. This provides the Scottish Parliament with more policy choices but also means that the Scottish budget is subject to greater uncertainty and complexity

57. A new Scottish budget process has been introduced, which is based on a year-round continuous cycle of budget setting, scrutiny and evaluation. As part of the new budget process, the Scottish Government published an initial five-year Medium-Term Financial Strategy in May 2018. The five-year outlook for the Scottish budget, set out in the financial strategy, provides useful context for future financial planning.

58. The IJB considered the potential implications of the Scottish Government Medium Term Financial Strategy when developing their MTFP published in March 2019. The IJB’s plan reflects a number of drivers and assumptions as published within the Scottish Government Medium Term Health and Social Care Financial Framework.

Part 3

Governance, transparency and value for money



Main judgements

The IJB has appropriate governance arrangements in place that support the scrutiny of decisions by the board and is committed to openness and transparency



The IJB can demonstrate a variety of arrangements to ensure best value. There would be benefit in future Annual Performance Reports including an assessment of how the IJB is meeting its best value duties in the delivery of services.

Overall the IJB has effective arrangements for managing performance and monitoring progress towards their strategic objectives. There is scope for adding to the Strategic Plan the indicators by which the IJB will measure its performance and progress in achieving its strategic priorities.

Good governance and transparency is a product of effective scrutiny and governance arrangements, leadership and decision-making and transparent reporting of financial and performance information.

Governance arrangements

59. The IJB consists of eight voting members and twelve non-voting members. Voting members are split between members of East Renfrewshire Council and members of the NHSGGC Board. Non-voting members hold a range of health and social care positions and this supports a diverse discussion on Board decisions. The IJB is supported by the Performance and Audit Committee and the Clinical and Care Governance Group.

60. The IJB is governed by the Integration Scheme which sets out the functions delegated to the IJB by its partners as well as all other necessary governance arrangements such as managerial, voting and risk management arrangements. The Scheme was approved by Scottish ministers in June 2015 leading to the establishment of the Board and was last updated in January 2018 to reflect changes to the regulations relating to prescribed Health Board and Local Authority Functions.

61. Members and officers frequently receive training and seminars are often delivered by officers to strengthen members' understanding of relevant issues. During 2018/19 training included sessions on the role of a good Audit Committee and the Codes of Conduct for Members of Health and Social Care Integration Joint Boards. Seminars were delivered covering Prescribing and Individual Budgets, Strategic Commissioning and Children and Families Permanence.

62. We have concluded that the IJB has effective governance arrangements in place that support the scrutiny of decisions.

Openness and transparency

63. There is an increasing focus on how public money is used and what is achieved. In that regard, openness and transparency supports understanding and scrutiny. Transparency means that the general public has access to

understandable, relevant and timely information about how the IJB is taking decisions and how it is using resources.

64. There is evidence from a number of sources which demonstrate the IJB's commitment to transparency including:

- Regular progress reports requested by the Board on those areas where improvement is required
- Completion of a self-assessment return to the Ministerial Steering Group on the “review of progress with the integration of health and social care” which covered elements of openness and transparency
- Progress reports are frequently requested by the Board on the progress and outcomes of new service delivery models

65. In addition, full details of the meetings held by the IJB are available through the East Renfrewshire Health and Social Care Partnership website where access is given to all committee papers and minutes of meetings. The IJB receives regular financial monitoring reports which are clear and concise and all meetings of the IJB are open to the public.

66. We concluded that the IJB demonstrates a commitment to openness and transparency.

Transparent reporting of performance in the Management Commentary

67. The financial performance information within the Management Commentary in the annual report clearly explains the IJB's financial performance in year, including:

- the outturn against budget position for the year with detail on significant variances
- the outturn reported in the management commentary reconciled to the movement in the General Fund contained in the financial statements
- progress against agreed savings plans and efficiencies are reported

68. The annual report and accounts are clear and concise and provide sufficient detail on how funding was used in year.

69. Review of good practice as set out in the Audit Scotland good practice note on ‘[Improving the quality of local authority accounts – integration joint boards](#)’ (April 2018) has highlighted potential room for improvement in the disclosures within the management commentary regarding performance against the IJB's main strategic objectives. Whilst the management commentary in the IJB's 2018/19 annual report and accounts includes indicators for a selection of strategic priorities, not all priorities have been covered. As the IJB has identified over 60 performance indicators which are monitored and reported quarterly to the Board, it's important that those indicators which are deemed most effective in assessing progress against strategy should be identified and reported in future management commentaries.



Recommendation 2

The Management Commentary should clearly detail the key performance indicators by which achievement of the IJB's seven strategic priorities will be measured and document the IJB's performance against them.

Value for money is concerned with using resources effectively and continually improving services.

Value for money and Best Value

70. To achieve value for money the IJB should have effective arrangements for scrutinising performance, monitoring progress towards their strategic objectives and holding partners to account. Our audit covers the four audit dimensions, as set out in [Exhibit 1](#), which are key components of securing best value in the provision of services and the use of resources.

71. Integration Joint Boards have a statutory duty to make arrangements to secure best value.

72. One of the main ways the IJB aims to secure best value is through their budget monitoring reports. The budget monitoring reports are of sufficient detail and quality to provide decision makers with the information needed to make robust decisions that meet best value. Best value criteria is considered as part of budget decisions and proposals and is an implicit part of reporting. The 2018/19 annual performance report details how the IJB aims to demonstrate efficient and effective use of resources by analysing the financial performance for the year and comparing budgeted spend against outturn

73. The IJB continually looks for alternative models of service delivery. The current Digital Programme is focussed on transforming traditional services to digital services with the aim of creating savings and efficiencies. The programme takes best value considerations into account in terms of savings and efficiencies as well as the potential impact on the proposed users of digital services and whether their needs will be met. The Fit for the Future transformation programme has focused on the re-design of services and the restructure of staff to achieve recurring savings. The outcomes of the program are being reviewed and assessed to monitor the impact on services

74. It is clear that user needs are a main consideration for the IJB when evaluating service delivery and quality. This ranges from the demographic strategic analysis conducted by the IJB which identifies the key users, pressures and services most required by localities to considerations on the most efficient way to deliver services to users. Board members frequently challenge proposals made by the IJB on the basis of what is best for users, taking into account best value.

75. The Public Bodies (Joint Working) (Scotland) Act 2014 requires that an annual performance report is published which includes (amongst other items as stated at paragraph 80) detail on financial performance and best value. The IJB's performance report provides an overview of financial performance during 2018/19 with references to budgeted versus actual outturn, however, the report does not include an assessment of how the IJB is meeting its best value duties in the delivery of services.



Recommendation 3

The IJB should assess how it is meeting its best value duties in the delivery of services and publish a summary and conclusion of the assessment within its Annual Performance Report.

Performance management

76. The Public Bodies (Joint Working) (Scotland) Act 2014 requires that the annual performance report is completed within four months of the financial year end. Guidance highlights that the report should cover areas including; assessing performance in relation to national health and wellbeing outcomes, financial

performance and best value, reporting on localities, inspection of services, and a review of strategic commissioning plan (where applicable).

77. The Board of the IJB reviews performance reports on a quarterly basis. The Annual Performance Report was submitted to the IJB on 26 June 2019 and includes details on achievement against the strategic priorities identified within the IJB's Strategic Plan 2018-2021, financial performance and a performance summary documenting the progress of key performance indicators against targets and prior year performance. The key performance indicators are clearly allocated against the relevant strategic priority and national indicator.

78. The annual performance report adequately covers the requirements of the Public Bodies (Joint Working) (Scotland) Act 2014, however there is room for improvement on the expansion of locality reporting and best value.

79. The main area for improvement identified within the annual performance report relates to the Care at Home Service. The Care Inspectorate carried out an inspection of the Care at Home Service in February 2019. The Care Inspectorate concluded that the care at home service was delivering poor outcomes to service users. The service has been given nine requirements and one recommendation to meet and was graded as:

- unsatisfactory for care and support
- unsatisfactory for management and leadership
- weak for staffing.

The report did highlight that service users spoke very highly of the support workers and their care and compassion.

80. The Care Inspectorate report has been put to the IJB Board along with a detailed action plan to address the findings. The IJB has made an investment of £1 million to support planned improvements and updated progress reports are submitted to Board members at each meeting of the IJB.



Recommendation 4

The IJB should work with partners to address the findings of the Care at Home Service report ensuring that responsibility and accountability is clearly defined to enable the IJB to monitor and review progress and initiate remedial action if required.

81. The IJB's Strategic Plan 2018-2021 identifies seven strategic priorities that are linked to the Scottish Government's nine health and wellbeing outcomes, together with the six additional outcomes for children and community justice. Performance against each of the seven priorities is reported quarterly to the Board.

82. The Strategic Plan 2018-2021 is a key document in demonstrating the IJB's progress in achieving its agreed aims and the delivery of the national health and wellbeing outcomes. Whilst the IJB's current quarterly and annual performance reports record performance against targets, the current Strategic Plan does not include the key indicators by which the IJB will measure its performance and progress in achieving the above strategic priorities.



Recommendation 5

The IJB should update the Strategic Plan to include the key performance measures and targets against which performance against key strategic priorities will be assessed.

83. Overall the IJB has effective arrangements for managing performance and monitoring progress towards their strategic objectives.

National performance audit reports

84. Audit Scotland carries out a national performance audit programme on behalf of the Accounts Commission and the Auditor General for Scotland. During 2018/19 we published some reports which may be of interest to the board as outlined in [Appendix 4](#).

85. In line with good practice, national performance audit reports were reviewed throughout the year by the IJB with relevant papers being submitted to Board meetings for consideration.

Appendix 1

Action plan 2018/19



No.	Issue/risk	Recommendation	Agreed management action/timing
1 B/F*	<p>Financial Pressures</p> <p>The IJB is facing a funding gap of £3.1 million in 2019/20. A savings plan of £3.6 million has been identified to address this gap. The 2020/21 savings requirement is estimated between £3.1 million- £3.5 million and a savings plan has yet to be identified.</p> <p>Risk - The IJB may not be able to deliver future savings without adversely impacting service delivery.</p>	<p>The IJB should develop savings plans for 2020/21 which link to, and support, the Fit for the Future programme and which reflect an assessment of the potential impact on service delivery</p> <p>Paragraph 43-51</p>	<p>As detailed in the MTFP the savings requirement will be dependent on our budget settlement. Should we be required to make significant savings the backstop to balancing future budgets will be to take a backwards step and look at implementing criteria-based assessment so only those with the highest level of need would receive support.</p> <p>Chief Financial Officer 31 March 2020</p>
2	<p>Management Commentary</p> <p>Disclosures within the management commentary could be improved, particularly those regarding the key performance indicators against which the main strategic objectives will be measured.</p> <p>Risk – the management commentary does not meet reporting requirements.</p>	<p>The Management Commentary should clearly detail the key performance indicators by which achievement of the IJB's seven strategic priorities will be measured and document the IJB's performance against them.</p> <p>Paragraph 69</p>	<p>We will review the management commentary for our 2019/20 annual report and accounts.</p> <p>Chief Financial Officer 20 June 2020</p>
3	<p>Best Value</p> <p>The annual performance report does not include an assessment of how the IJB is meeting its best value duties in the delivery of services.</p> <p>Risk – the IJB does not have appropriate arrangements in place for securing best value.</p>	<p>The IJB should assess how it is meeting its best value duties in the delivery of services and publish a summary and conclusion of the assessment within its Annual Performance Report</p> <p>Paragraph 75</p>	<p>We will review how we report on best value for our 2019/20 annual performance report.</p> <p>Chief Financial Officer 30 June 2020</p>
4	<p>Care at Home</p> <p>A report published by the Care Inspectorate during 2018/19 identified a number of concerns and areas for</p>	<p>The IJB should work with partners to address the findings of the Care at Home Service report ensuring that responsibility and accountability is clearly</p>	<p>We will continue to implement our action plan and report this to every meeting of our Integration Joint Board. The current action plan will be revised as required following</p>

improvement regarding the IJB's Care at Home service

The IJB have developed a comprehensive improvement plan to address the report findings

Risk – The issues identified within the Care Inspectorate report are not adequately addressed and no improvement is seen within the Care at Home Service, impacting on the achievement of strategic priorities within the strategic plan.

defined to enable the IJB to monitor and review progress and initiate remedial action if required.

[Paragraph 79-80](#)

all future inspections and all new inspection reports will be reported to the IJB.

Head of Adult Health and Care Localities

The timeline will be determined by independent external scrutiny.

5 B/F	<p>Strategic Plan</p> <p>The current strategic plan 2018-2021 does not include the key performance measures/targets by which the IJB intend to measure progress.</p> <p>Risk – the key performance measures by which the IJB intends to measure progress against the strategic plan is not clear.</p>	<p>The IJB should update the Strategic Plan to include the key performance measures and targets against which performance against key strategic priorities will be assessed.</p> <p>Paragraph 81-82</p>	<p>The annual implementation plan includes this information and will be appended to the Strategic Plan.</p> <p>Chief Financial Officer 31 March 2020</p>
----------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------

*Those items marked with B/F are brought forward from the 2017/18 Annual Audit Report

Appendix 2

Significant audit risks identified during planning

The table below sets out the audit risks we identified during our planning of the audit and how we addressed each risk in arriving at our conclusion. The risks are categorised between those where there is a risk of material misstatement in the annual report and accounts and those relating our wider responsibility under the [Code of Audit Practice 2016](#).

Audit risk	Assurance procedure	Results and conclusions
Risks of material misstatement in the financial statements		
<p>1 Risk of management override of controls</p> <p>ISA 240 requires that audit work is planned to consider the risk of fraud, which is presumed to be a significant risk in any audit. This includes consideration of the risk of management override of controls to change the position disclosed in the financial statements.</p>	<p>Detailed testing of journal entries.</p> <p>Review of accounting estimates.</p> <p>Focused testing of accruals and prepayments.</p> <p>Evaluation of significant transactions that are outside the normal course of business.</p>	<p>Assurances received from the partnership bodies regarding the adequacy of controls determined that they were operating effectively. Assurances were also received over transactions carried out at each of the partnership bodies impacting on the Board's income and expenditure.</p> <p>All testing was completed as planned.</p> <p>We have not identified any instances of management override of controls.</p>
Risks identified from the auditor's wider responsibility under the Code of Audit Practice		
<p>2 Financial sustainability 2018/19 budget outturn</p> <p>As at 30 January 2019, the IJB is facing a predicted year end overspend of £0.425m. This relates to Fit for the Future Savings of £0.398m which are still to be realised. The IJB intends to fund £0.398m of the overspend through a planned use of reserves and the remaining £0.027m operational overspend within existing resources. The IJB is prepared to draw from their in year contingency reserve if required.</p> <p>There is a risk that if the IJB does not identify the savings to be achieved on a recurring basis, they will be unable to achieve a balanced budget going forward, particularly in the</p>	<p>Review the IJB's reported outturn financial position as part of the financial statements audit;</p> <p>Assess the delivery of in-year savings programmes; and</p> <p>Review the robustness of future savings plans and targets contained within the Fit for the Future programme.</p>	<p>A review of the IJB's financial position and Fit for the Future position was carried out. Financial sustainability and Fit for the Future have been raised within the action plan at Appendix 1.</p>

Audit risk	Assurance procedure	Results and conclusions
<p>light of uncertain future funding contributions.</p> <p>2019/20 onwards</p> <p>The IJB is currently facing uncertainty and pressures in their 2019/20 budget allocation. Indicative figures have been provided from the NHS with estimated savings targets of £0.634 million. Savings targets of £3.097 million have been set up by East Renfrewshire Council. It is anticipated that the IJB will present plans to address the savings targets to the IJB in March 2019.</p> <p>Due to the delays in approving the health budget, there is a risk that given the financial pressures faced by the IJB in 2019/20, any delay will significantly impact the effectiveness of the IJB's financial management and the ability to strategically manage expenditure.</p>		
<p>5 Financial Planning</p> <p>The IJB does not have any published medium or longer term plans in place considering the impact of future costs and funding uncertainties on services and the extent of benefits realised from the ongoing Fit for the Future service redesigns. We are aware the IJB intends to present a medium term plan to the Board in March 2019.</p> <p>There is a risk that decisions on financial planning do not reflect a longer term assessment of future cost pressures and funding levels.</p>	<p>Review the progress the IJB has made in developing and implementing a medium and longer term financial strategy; and</p> <p>Assess whether assumptions within the medium and longer term financial plans are reasonable and consistent with the IJB's strategic plan objectives.</p>	<p>The IJB published a MTFP covering the 2019/20 to 2023/24 period which included reasonable assumptions</p>

Appendix 3

Summary of national performance reports 2018/19

		 2018/19 Reports	
Local government in Scotland: Challenges and performance 2018		Apr	
Councils' use of arm's-length organisations		May	 Scottish Fire and Rescue Service: an update
Scotland's colleges 2018		Jun	
		Jul	 The National Fraud Initiative in Scotland 2016/17
Forth Replacement Crossing		Aug	 Major project and procurement lessons
Children and young people's mental health		Sept	 Superfast broadband for Scotland: further progress update
NHS in Scotland 2018		Oct	
Health and social care integration: update on progress		Nov	 Local government in Scotland: Financial overview 2017/18
		Dec	
		Jan	
		Feb	
		Mar	 Local government in Scotland: Challenges and performance 2019

Reports relevant to Integration Joint Boards

[Local government in Scotland: Challenges and performance 2018](#) – April 2018

[Councils' use of arm's-length organisations](#) – May 2018

[Children and young people's mental health](#) – September 2018

[NHS in Scotland 2018](#) – October 2018

[Health and social care integration: update on progress](#) – November 2018

[Local government in Scotland: Financial overview 2017/18](#) – November 2018

[Local government in Scotland: Challenges and performance 2019](#) – March 2019

East Renfrewshire Health and Social Care Integration Joint Board

2018/19 Annual Audit Report - DRAFT

If you require this publication in an alternative format and/or language, please contact us to discuss your needs: 0131 625 1500 or info@audit-scotland.gov.uk

For the latest news, reports and updates, follow us on:



Audit Scotland, 4th Floor, 102 West Port, Edinburgh EH3 9DN
T: 0131 625 1500 E: info@audit-scotland.gov.uk
www.audit-scotland.gov.uk

BLANK PAGE



Meeting of East Renfrewshire Health and Social Care Partnership	Performance and Audit Committee
Held on	25 September 2019
Agenda Item	7
Title	Annual Report and Accounts 2018/19
<p>Summary</p> <p>This report provides an overview of the audited annual report and accounts for the IJB covering the period 1 April 2018 to 31 March 2019.</p> <p>The Chair of the Performance and Audit Committee will advise the Integration Joint Board of any audit findings following the remit of approval of the annual report and accounts to the Integration Joint Board, following on from this meeting.</p>	
Presented by	Lesley Bairden, Head of Finance and Resources (Chief Financial Officer)
<p>Action Required</p> <p>The Performance and Audit Committee is requested to agree the audited annual report and accounts be remitted to the Integration Joint Board for approval.</p>	

BLANK PAGE

EAST RENFREWSHIRE INTEGRATION JOINT BOARD

PERFORMANCE AND AUDIT COMMITTEE

25 September 2019

Report by Chief Financial Officer

ANNUAL REPORT AND ACCOUNTS 2018/19

PURPOSE OF REPORT

1. The purpose of this report is to provide an overview of the audited annual report and accounts for the IJB covering the period 1 April 2018 to 31 March 2019. The Chair of the Performance and Audit Committee will advise the IJB of any audit findings.

RECOMMENDATION

2. The Performance and Audit Committee is requested to agree the audited annual report and accounts be remitted to the Integration Joint Board for approval.

BACKGROUND

3. The Public Bodies (Joint Working)(Scotland) Act 2014 was passed by the Scottish Parliament on 25 February 2014 and received Royal Assent in April 2014. This established the framework for the integration of Health and Social Care in Scotland.

4. The IJB is a legal entity in its own right, created by Parliamentary Order, following Ministerial approval of the Integration Scheme. NHS Greater Glasgow and Clyde (NHSGGC) and East Renfrewshire Council have delegated functions to the IJB which has the responsibility for strategic planning, resourcing and ensuring delivery of all integrated services.

5. The IJB is specified in legislation as a 'section 106' body under the terms of the Local Government Scotland Act 1973 and as such is expected to prepare annual accounts in compliance with the Code of Practice on Accounting for Local Authorities in the United Kingdom.

6. This is the fourth annual report and accounts for the IJB, with the first covering the first part year of operation during 2015/16.

7. LASAAC (The Local Authority (Scotland) Accounts Advisory Committee) guidance on accounting for the integration of health and social care was revised during 2018/19 and the content of this guidance has been adhered to in the production of the annual report and accounts. We continue with our own presentational style, reflecting continuity in our annual report and accounts.

8. Similarly the Audit Scotland good practice note on improving IJB accounts has been recognised whilst preparing the annual report and accounts.

REPORT

9. The annual report and accounts for the IJB have been prepared in accordance with appropriate legislation and guidance. An overview of the process and legislative requirements were set out in the previous report of 26 June 2019.

10. The annual report and accounts are included at Appendix 1 and copies of the document, following approval, will be signed on 25 September 2019.

11. It is a statutory requirement that the Chief Financial Officer (being the proper officer) provide Audit Scotland with a letter of representation (ISA580) along with the annual report and accounts. This is included at Appendix 2.

12. The Chief Internal Auditor's Annual Audit Report 2018/19 and the proposed Audit Scotland Annual Report confirm the annual report and accounts are unqualified, meet legislative requirements, meet good practice, have no significant issues and confirm sound financial governance.

13. The Chair of the Performance and Audit Committee will update the IJB of the key points from that committee and presentation of audit findings.

14. The key messages from Audit Scotland are summarised:

- The IJB accounts give a true and fair view and were prepared in line with proper accounting practice
- The IJB has appropriate and effective financial planning arrangements and our budgetary processes providing timely and reliable financial information for monitoring our financial performance
- The IJB has total reserves of £5.337 million as at 31 March 2019
- The Medium Term Financial Plan sets out our funding gap of £3.1 million for 2019/20 and that we have savings plans to meet this. The plan also sets out our potential cost pressures and possible funding gaps for future years.
- There may be considerable financial pressure over the short to medium term and a significant challenge from achieving associated savings without impacting on the level of service we provide.
- The IJB has appropriate governance to support scrutiny and is committed to openness and transparency
- We demonstrate arrangements to ensure best value but could improve how we report this in our annual performance report
- We have effective performance monitoring and management arrangements. There is scope to improve our Strategic Plan by including our implementation measures as part of the plan.

15. The action plan included at Appendix 1 of Audit Scotland's Annual Audit Report details 5 recommendations and shows our response and timescales for each. In summary these relate to:

- Development of future year savings proposals and the impact on service delivery
- Key Performance areas in the management commentary to more explicitly link to our seven strategic priorities
- Review our Best Value summary and conclusion in our annual performance report
- Address the findings relating to the Care at Home service
- Update our Strategic Plan to include key performance measures and targets

16. As with prior years I will bring progress against the 5 action plan items to this committee.

17. There are no changes to the figures as reported in the unaudited accounts on 26 June 2019.

18. We have made some minor changes to wording within the document and in particular added further information in our governance statement around care at home. Presentational changes were made to the reserves statement to ease understanding and to the performance information where we have added the 2018/19 target to improve context.

19. As a reminder the main messages from the annual report and accounts remain:

- We ended the year with an underspend of £0.260 million which was 0.22% of our budget for the year. This was in line with the position reported to the IJB through our regular revenue budget monitoring.
- The underspend was a result of staff turnover, care package costs less than committed and early achievement of savings, offset by part year structure and prescribing costs.
- We added £0.528 million to our reserves during the year.

20. The Chief Financial Officer would like to extend thanks to the HSCP Finance and Performance teams and to colleagues in both partner organisations acknowledging the detailed work of all staff involved in the year end closure process for all operational spend within the partnership. Particular thanks to Ian Arnott, Accountancy and Contracts Manager for his invaluable input

21. Similarly I would like to thank colleagues from Audit Scotland for their work and co-operation during the audit.

CONCLUSIONS

22. The accounts were properly prepared with a good standard of working papers and finance staff provided a good support to the audit team which ensured the audit process ran smoothly. The figure in the accounts did not change from the unaudited position reported on 26 June 2019.

RECOMMENDATIONS

23. The Performance and Audit Committee is requested to agree the audited annual report and accounts be remitted to the Integration Joint Board for approval.

REPORT AUTHOR AND PERSON TO CONTACT

Lesley Bairden, Head of Finance and Resources (Chief Financial Officer)

Lesley.Bairden@eastrenfrewshire.gov.uk

0141 451 0746

18 September 2019

Chief Officer, IJB: Julie Murray

BACKGROUND PAPERS

PAC Paper 26.06.2019: Unaudited Annual Report and Accounts 2018/19

<https://www.eastrenfrewshire.gov.uk/CHttpHandler.ashx?id=24701&p=0>

PAC Paper 26.09.2018: Annual Report and Accounts 2017/18

<https://www.eastrenfrewshire.gov.uk/CHttpHandler.ashx?id=23126&p=0>

Annual report and Accounts 2016/17

<http://www.eastrenfrewshire.gov.uk/CHttpHandler.ashx?id=20434&p=0>

Annual Report and Accounts 2015/16

<http://www.eastrenfrewshire.gov.uk/CHttpHandler.ashx?id=17196&p=0>

The relevant legislation is The Public Bodies (Joint Working)(Scotland) Act 2014, Local Government Scotland Act 1973



East Renfrewshire Health and Social Care Partnership Integration Joint Board

Annual Report and Accounts 2018/19

Covering the period 1st April 2018 to 31st March 2019



BLANK PAGE

Contents

Management Commentary	2 - 15
Statement of Responsibilities	16 - 17
Remuneration Report	18 - 22
Annual Governance Statement	23 - 29
Independent Auditor's Report	30 - 32
The Financial Statements	33 - 35
Notes to the Financial Statements	36 - 46
Where to find more information	47

East Renfrewshire covers an area of 174 square kilometres and borders the City of Glasgow, East Ayrshire, North Ayrshire, Renfrewshire and South Lanarkshire.

Our population is growing and reached 95,170 in 2018. 74 percent of the population live in the Eastwood area (Busby, Clarkston and Williamwood, Eaglesham and Waterfoot, Giffnock, Netherlee and Stamperland, Newton Mearns and Thornliebank) and 26 percent live in the Barrhead area (Barrhead, Neilston and Uplawmoor).

East Renfrewshire has an increasing ageing population with a 44 per cent increase in the number of residents aged 85 years and over during the last decade.



Management Commentary

Introduction

East Renfrewshire Integration Joint Board, hereafter known as the IJB, was legally established on 27th June 2015 and has the strategic responsibility for planning and delivery of health and social care services for the residents of East Renfrewshire. The vision, values, priorities and outcomes we aim to achieve through working together with the people of East Renfrewshire to improve lives are set out in our [HSCP Strategic Plan 2018-21](#).

The IJB is a legal body in its own right, as set out in the legislation, the Public Bodies (Joint Working) (Scotland) Act 2014, which established the framework for the integration of health and social care in Scotland.

The [Integration Scheme](#) for the IJB sets out how we will meet the requirements of this legislation. We are responsible for planning, commissioning and delivery of services for children and adults from both of our partners, East Renfrewshire Council and NHS Greater Glasgow and Clyde, and also have the planning responsibility for our population's use of large hospital based services along with housing aids and adaptations. The Integration Scheme provides a detailed breakdown of all the services the IJB is responsible for.

Our current Strategic Plan covers the period 2018-21 and sets out how we will achieve the National Health and Wellbeing Outcomes prescribed by Scottish Ministers.

Our partnership vision statement is:

“Working together with the people of East Renfrewshire to improve lives”

Our touchstones are used to guide everything we do as a partnership:

- Valuing what matters to people.
- Building capacity with individuals and communities.
- Focusing on outcomes, not services.

This document and our Annual Performance Report demonstrate how we have supported delivery of our strategic priorities.

Note: Information contained in the links to our Strategic Plan and Integration Scheme does not form part of the annual report and accounts.

Strategic Plan 2018-21

With our Strategic Planning Group we reviewed our first strategic plan, which covered 2015-18 and considered the progress we made and refreshed our strategic priorities for the three years 2018 to 2021. Our plan recognises that to meet future demand pressures from our continued growing and aging population we needed to change the way we work together. We need to extend beyond traditional health and social care services to a wider partnership with our local people, carers, volunteers, community organisations, providers and community planners.

We need to look at the wider factors that impact on people's health and wellbeing, including activity, housing and work; supporting people to be well, independent and connected to their communities.

Our emergency admissions, out of hours pressures and carers stress show us we still have work to do to get the right systems in place. We believe that by putting in the right amount of support at the right time we can improve lives, reduce demand and allow us to focus resource on those most in need.

We have identified seven strategic priorities where we need to make significant change or investment during the course of the plan:

- Working together with **children, young people and their families** to improve mental wellbeing
- Working together with our community planning partners on new **community justice** pathways that support people to stop offending and rebuild lives
- Working together with our communities that experience shorter life expectancy and **poorer health** to improve their wellbeing
- Working together with people to maintain their **independence at home** and in their local community
- Working together with people who experience **mental ill-health** to support them on their journey to recovery
- Working together with our colleagues in primary and acute care to care for people to reduce **unplanned admissions** to hospital
- Working together with **people who care for someone** ensuring they are able to exercise choice and control in relation to their caring activities

We have also moved to two localities: Eastwood and Barrhead; the new localities better reflect hospital flows with the Eastwood Locality linking to the South Glasgow hospitals and the Barrhead Locality to the Royal Alexandra Hospital in Paisley.

Our new management and service structure is designed around our localities and we continue to develop planning and reporting at a locality level.

The IJB continues to build on the long standing delivery of integrated health and care services within East Renfrewshire and the continued and valued partnership working with our community, the third, voluntary and independent sectors, facilitating the successful operation of the Health and Social Care Partnership, hereafter known as the HSCP.

Key Messages and Operational Highlights for 2018/19

We have completed our fourth year of operation, with a continued focus on delivering future financial sustainability. As a long standing integrated partnership we have already made the savings and efficiency gains that can be achieved through integration of health and social care.

We have made significant progress with our Fit for the Future change programme (a phased programme of change since 2017/18) and have achieved the £0.954 million savings target attached to the programme. We have implemented wide ranging changes to our management structure and how we organise our services to meet the savings required and we have closed phase 1 of this programme. We still have a number of service areas to review and have identified a £0.250 million savings target for phase 2 of the programme in 2019/20.

We have established our Family Wellbeing Service to support children and young people with mental health and emotional wellbeing concerns. We have commissioned Childrens 1st to deliver this service following a successful pilot period. The service works with the HSCP to deliver holistic support based in our GP surgeries.

Our engagement with our looked after children and the Champions Board, a forum to support and improve the experience of young people in East Renfrewshire, goes from strength to strength and a Mini Champs initiative is now developing.

We have delivered a number of training and development initiatives to raise awareness and support Health Improvement with topics including; sexual health, breastfeeding awareness, child smile, mental health, breast health, bowel screening, cancer screening for people with additional needs, second hand smoke training, smoke free training, health behaviours change training and physical activity.

We continue to develop working with East Renfrewshire Culture and Leisure Trust and funded a post to develop the Ageing Well brand.

We have continued to expand our telecare services to support people to live independently and we have 92% of people reporting that their “living where / as you want to live” needs are being met.

Whilst 74% of those people receiving re-ablement have seen their care needs reduce and 62.5% of people aged over 65 with intensive needs are receiving care at home we know we need to do more work in our Care at Home service. We have an action plan in place to support this.

Our Talking Points engagement is working well with only 6 of 124 people seen being referred to statutory services.

In 2018/19 our average monthly rate for delayed discharges was 4, which was consistent with the previous year and remains among the lowest across Scottish partnerships. We continue to monitor delayed discharges on a weekly basis and use project management disciplines around the home from hospital team to drive and support improvement.

We continue to develop a new service model within Bonnyton House in Busby providing residential care along with dedicated beds for intensive rehabilitation and end of life care. Our partner East Renfrewshire Council agreed capital investment to refurbish the property.

Within the Learning Disability Specialist Service which we host we continue to fund resource transfer from the ongoing bed redesign to fund community based placements with our neighbouring HSCPs.

We continue to work with service providers to ensure market choice and sustainability and fund the Living Wage and other Fair Work Practices using the funding from the Scottish Government for this purpose. We have had local challenges across the HSCP with recruitment and retention of staff, reflecting the national position.

During the year we have worked on a new way of calculating Individual Budgets for adult social care, prepared for the extension of free personal care to those under 65 and the continued implementation of the Carers Act.

We have also implemented plans for Scottish Government funded initiatives; the Primary Care Improvement Fund; Mental Health Action 15 and the Alcohol and Drugs Partnership. These plans span multi years and ring-fenced funding will be carried forward to support the plans in 2019/20 and beyond.

The IJB approved its Medium Term Financial Plan for 2019/20 to 2023/24 which supports our strategic planning process and provides a financial context to support medium term planning and decision making. The plan sets out our local context, the national context, the medium term financial outlook, our response and also considers risk and sensitivity.

The IJB continues to face a number of challenges, risks and uncertainties in the coming years and this plan sets out the potential cost pressures of circa £5.1 to £5.7 million per year for the five years 2019/20 to 2023/24. The resulting funding gap will be dependent on the funding settlement for each year. For 2019/20 our cost pressure was £5.7 million and when we applied the available funding from our partners for uplifts and pressures we required to make £3.1 million savings to balance our budget. We have an agreed plan for these savings for 2019/20 however a similar scale of challenge in future years will mean an impact on our front line services and care packages.

We want to make sure that people have a positive first contact with health and social care and have worked with local people, community groups and organisations to design and implement our new front door approach.

In November 2018 Audit Scotland published its second report on national performance of health and social care integration and the impact it is having. The resulting recommendations included both local and national issues.

In February 2019 the Ministerial Strategic Group for Health and Community Care published the results of a national review of integration again with recommendations made both nationally and locally. There was some overlap between both sets of recommendations and the IJB undertook a joint self-evaluation, with our partners, in May 2019 to identify where we do well and where we need to develop further. The resulting actions will be implemented and monitored during 2019/20.

2018-19 Performance Achievements

In addition to our quarterly reports, the Annual Performance Report was presented to the IJB on 26 June 2019 and made publicly available on our website in line with statutory guidance. In this report, we review our performance for 2018/19 against local and national performance indicators and against the commitments within our Strategic Plan. Key areas where performance has shown the greatest improvement over the past 12 months are as follows:

Indicator	2018/19		2017/18
	Target	Actual	Actual
Children and Young People (SP1: Working together with children, young people and their families to improve mental wellbeing)			
100% of parents of children who have received an autism diagnosis have opportunity to access Cygnet post diagnostic programme within 12 months of receiving diagnosis. (INCREASE)	100%	100%	97%
Increase in improved outcomes for children after parent/carer completion of Psychology Of Parenting Project (POPP) (INCREASE)	81%	89%	79%
Recovery from alcohol and drug addiction (SP2: Working together with our community planning partners on new community justice pathways that support people to prevent and reduce offending and rebuild lives)			
% of service users moving from drug treatment to recovery service (INCREASE)	9%	22%	12%
% Change in individual drug and alcohol Recovery Outcome Score (INCREASE)	17%	23%	17% (16/17)
Living independently (SP4: Working together with people to maintain their independence at home and in their local community)			
Percentage of those whose care need has reduced following re-ablement (INCREASE)	60%	74%	62%
People reporting 'living where you/as you want to live' needs met (%) (INCREASE)	90%	92%	84%
SDS (Options 1 and 2) spend as a % of total social	Data only	7.5%	6.6%

work spend on adults 18+ (LGBF) (<i>INCREASE</i>)		(17/18)	(16/17)
Percentage of people aged 65+ with intensive needs receiving care at home. (LGBF) (<i>INCREASE</i>)	62%	62.5% (17/18)	61.1% (16/17)
Percentage of adults with intensive care needs receiving care at home (<i>INCREASE</i>)	61%	63% (17/18)	58% (16/17)
Reducing unplanned hospital care (SP6: Working together with our colleagues in primary and acute care to care for people to reduce unplanned admissions to hospital)			
Number of Emergency Admissions: Adults (<i>DECREASE</i>)	7,130	7,320*	7,432
Emergency admission rate (per 100,000 population) (<i>DECREASE</i>)	11,492	10,368*	10,482
Emergency bed day rate (per 100,000 population) (<i>DECREASE</i>)	117,000	114,744*	120,419
A & E Attendances from Care Homes (NHSGGC data) (<i>DECREASE</i>)	360	429	541
Emergency Admissions from Care Homes (NHSGGC data) (<i>DECREASE</i>)	204	261	338
Supporting carers (SP7: Working together with people who care for someone ensuring they are able to exercise choice and control in relation to their caring activities)			
People reporting 'quality of life for carers' needs fully met (%) (<i>INCREASE</i>)	72%	78%	72%

* Full year data not available for 2018/19. Figure relates to 12 months January -December 2018. Where prior years are shown this denotes the latest available information at the time of publishing the Annual Performance Report.

2018-19 Performance - Areas for Improvement

Ongoing improvement is sought across all services within the HSCP and the performance management arrangements in place are designed to facilitate this. There are specific areas we would like to improve going forward and these are set out in our current Strategic Plan.

Key indicators we would like to improve on include the following:

Indicator	Target	2018/19	2017/18
Children and Young People (SP1: Working together with children, young people and their families to improve mental wellbeing)			
Children and young people starting treatment for specialist Child and Adolescent Mental Health Services within 18 weeks of referral (<i>INCREASE</i>)	90%	74%	89%
Child & Adolescent Mental Health - longest wait in weeks at month end (<i>DECREASE</i>)	18	34	35
Community Justice (SP2: Working together with our community planning partners on new community justice pathways that support people to prevent and reduce offending and rebuild lives)			
% Positive employability and volunteering outcomes for people with convictions (<i>INCREASE</i>)	60%	55%	n/a
% Change in women's domestic abuse outcomes (<i>INCREASE</i>)	70%	64%	65%
Living independently (SP4: Working together with people to maintain their independence at home and in their local community)			
Increase the percentage of people aged 65+ who live in housing rather than a care home or hospital. (<i>INCREASE</i>)	62%	62.5% (17/18)	61.1% (16/17)
Mental health (SP5: Working together with people who experience mental ill-health to support them on their journey to recovery)			
Percentage of people waiting no longer than 18 weeks for access to psychological therapies	90%	54%	80%
Primary Care Mental Health Team (Bridges) wait for referral to 1st appointment within 4 weeks (%) (<i>INCREASE</i>)	100%	14%	21%
Reducing unplanned hospital care (SP6: Working together with our colleagues in primary and acute care to care for people to reduce unplanned admissions to hospital)			
People (18+) waiting more than 3 days to be discharged from hospital into a more appropriate care setting including AWI (<i>DECREASE</i>)	0	4	4
No. of A & E Attendances (adults) (<i>DECREASE</i>)	18,332	20,212	19,344
% of last six months of life spent in Community setting (<i>INCREASE</i>)	92%	88%	85%

Funding 2018/19

The net total health and social care funding from our partners for financial year 2018/19 was £133.479 million:

	£ Million
NHS Greater Glasgow and Clyde Primary Care	68.298
NHS Greater Glasgow and Clyde Large Hospital Services	16.624
East Renfrewshire Council Social Care	48.267
East Renfrewshire Council Housing Aids and Adaptations	0.290
Total Net Funding	133.479

The Comprehensive Income and Expenditure Statement (CIES) (page 33) shows the IJB gross income as £155.237 million, as that statement shows service income, grant funding, resource transfer and social care fund monies which are included within the net funding from our partners in the table above. The purpose of the CIES presentation is to show the gross cost of the services we provide.

Work continues to be progressed with the set aside funding for large hospital services, however arrangements under the control of the IJB (and those across Greater Glasgow) are not yet operating as required by the legislation and statutory guidance. Each Health Board, in partnership with the Local Authority and IJB, must fully implement the delegated hospital budget and set aside budget requirements of the legislation, in line with the statutory guidance published in June 2015. These arrangements must be in place in time for Integrated Authorities to plan their use of their budgets in 2019/20. The work undertaken to date has focussed on the collation of cost and activity data. Moving forward work has commenced on the development of commissioning plans to support the implementation of the set aside arrangements.

Resource Transfer shows NHS Greater Glasgow and Clyde specific funding for historic bed closures and is used to purchase care packages and community based services. The Social Care Fund was allocated by the Scottish Government to IJBs, via the NHS funding stream, to meet specific costs such as living wage and other fair work practices and adult demographic pressures.

Financial Performance 2018/19

The annual report and accounts for the IJB covers the period 1st April 2018 to 31st March 2019, with comparable figures shown for 2017/18.

In addition to the net funding of £132.951 million received from our partners and other income we had also planned to use up to £0.954 million from reserves to bridge our Fit for the Future change programme to balance our budget for 2018/19.

The budgets and outturns for the operational services (our management accounts) as reported during the year to the IJB are summarised below;

Service	Budget	Spend	Variance (Over) / Under	Variance (Over) / Under
	£ Million	£ Million	£ Million	%
Children & Families	10.508	9.708	0.800	7.61%
Older Peoples Services	28.995	29.223	(0.228)	(0.79%)
Physical / Sensory Disability	4.664	4.608	0.056	1.20%
Learning Disability – Community	12.091	12.138	(0.047)	(0.39%)
Learning Disability – Inpatients	8.085	7.962	0.123	1.52%
Mental Health	4.377	3.958	0.419	9.57%
Addictions / Substance Misuse	1.554	1.522	0.032	2.06%
Family Health Services	22.217	22.209	0.008	0.04%
Prescribing	15.766	16.194	(0.428)	(2.71%)
Criminal Justice	0.039	-	0.039	100%
Planning & Health Improvement	0.299	0.225	0.074	24.75%
Management & Administration	8.396	8.586	(0.190)	(2.26%)
Planned Contribution from Reserves	(0.954)	(0.556)	(0.398)	(41.72%)
Net Expenditure Health and Social Care	116.037	115.777	0.260	0.22%
Housing	0.290	0.290	-	0.00%
Set Aside for Large Hospital Services	16.624	16.624	-	0.00%
Total Integration Joint Board	132.951	132.691	0.260	0.22%

The £0.260 million underspend (0.22%) is in line with the reporting taken to the IJB during the year and this is added to our reserves.

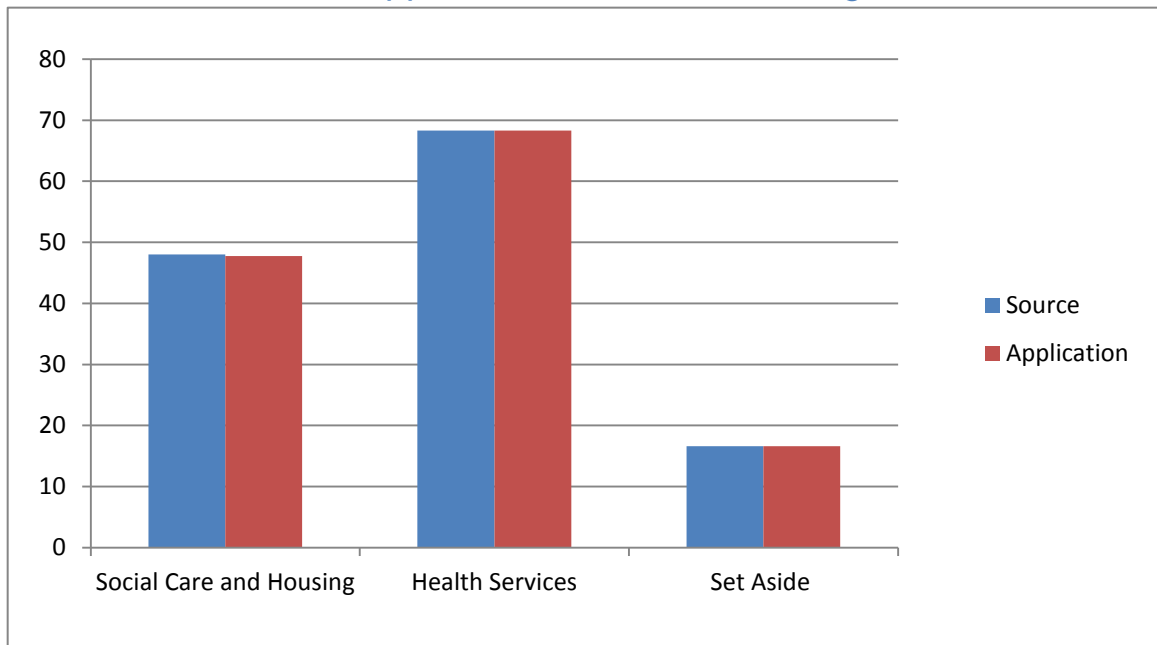
The main variances to the budget were:

- Underspends in a number of services from staff turnover and vacant posts during the year, in part relating to the implementation of our structure but also reflecting recruitment and retention issues within health and social care.
- Care package costs were less than committed as we did not have a difficult winter.
- The overspend in prescribing is a result of both cost and volume, with a number of drugs on short supply during the year.
- East Renfrewshire IJB hosts the Specialist Learning Disability Services on behalf of the other five IJBs who are coterminous with Greater Glasgow and Clyde. The service achieved £0.125 million savings early from the ongoing bed redesign model.

A number of services are hosted by the other IJBs who partner NHS Greater Glasgow and Clyde and our use of hosted services is detailed at Note 4 (Page 40). The hosted services are accounted for on a principal basis, as detailed at Note 11 (Page 46).

The information above reflects our management accounts reporting throughout 2018/19 whilst the CIES at Page 33 presents the financial information in the required statutory reporting format; the movement between these of £0.268 million is a result of the management accounting treatment of reserves.

Source and Application of our Net Funding (£ million)



Reserves

We used £0.847million of reserves in year and we also invested monies into earmarked reserves. The year on year movement in reserves is set out at Note 8 (Page 44) and is summarised:

	£ Million	£ Million
Reserves at 31 March 2018		4.809
Planned use of existing reserves during the year	(0.847)	
Funds added to reserves during the year	1.375	
Net increase in reserves during the year		0.528
Reserves at 31 March 2019		5.337

The funds added to reserves are:

- £0.111 million Mental Health Action 15
- £0.068 million Alcohol & Drugs Partnership
- £0.186 million Primary Care Improvement Programme
- £0.057 million to support small projects
- £0.200 million to support development of the Partnership Strategic Framework
- £0.250 million agreed by the IJB to support the Care at Home Improvement Programme
- £0.135 million within Children and Families projects (Home & Belonging and Continuing Care)
- £0.338 million to support the redesign of our Learning Disability Specialist Service
- £0.030 million to support Organisational Learning and Development

Future Challenges

The IJB continues to face a number of challenges, risks and uncertainties in the coming years and has approved the Medium Term Financial Plan for 2019/20 to 2023/24 which supports our strategic planning process and provides a financial context to support medium term planning and decision making. This plan sets out the potential cost pressures of circa £5.1 to £5.7 million per year for the five years 2019/20 to 2023/24. The resulting funding gap will be dependent on the funding settlement for each year.

For 2019/20 our cost pressure was £5.7 million and when we applied the available funding from our partners for uplifts and pressures we required to make £3.1 million savings to balance our budget. We have an agreed plan for these savings for 2019/20 however a similar scale of challenge in future years will mean an impact on our front line services and care packages.

Demographic pressures remain a very specific challenge for East Renfrewshire as we have an increasing elderly population with a higher life expectancy than the Scottish average and a rise in children with complex needs resulting in an increase in demand for services.

A number of wider issues such as the economy; the impact of Brexit and Regional Planning could all impact on the future of the service we provide and our ability to meet the needs of the communities we serve.

We have successfully operated integrated services for a number of years and we have already faced a number of challenges and opportunities open to newer partnerships, however our funding and savings challenge take no account of this history. Whilst we have agreed a population based approach for future (NHS) financial frameworks and models this does not address the base budget.

Prescribing Costs; the cost of drugs prescribed to the population of East Renfrewshire by GPs and other community prescribers is delegated to the IJB. This is a complex and volatile cost base of around £16 million per year. Financial year 2018/19 was the first year without any risk share or underwriting of this cost and despite increasing our budget by 5% we ended the year with an £0.428 million overspend.

Delayed Discharge; in order to achieve the target time of 72 hours we continue to require more community based provision. The medium term aspiration is that the costs of increased community services will be met by shifting the balance of care from hospital services. The work to agree a funding mechanism to achieve this remains ongoing with NHS Greater Glasgow and Clyde and its partner IJBs.

The Annual Budget setting timetables remain an issue as the NHS timetable poses a challenge as the NHS Board does not agree its budget before 31 March, whereas the IJB is required to set its budget by the end of March of each year. However the IJB had sufficient detail and confirmation of a verbal offer from NHS Greater Glasgow and Clyde and a confirmed offer from East Renfrewshire Council to set a budget prior to 31 March, subject to formal confirmation by NHS Greater Glasgow and Clyde (subsequently received).

Developing our performance and financial reporting in more detail at a locality level to allow fuller reporting and understanding of future trends and service demands.

We plan to deal with these challenges by:

- We have an agreed Medium Term Financial Plan and will maintain this with updates at least annually. We will also continue to use scenario based financial planning and modelling to assess and refine the impact of different levels of funding, pressures and possible savings.
- We have invested £1 million in our Care at Home service to increase capacity and support our improvement plan for this service.
- We have identified and prioritised savings proposals for 2019/20 and have indicated that future years savings proposals may require us to move to the adoption of a criteria based model for care package support.
- We will realign our financial reporting to reflect our new operational service structure.

- We are developing our Data and Management Information Strategy and have strengthened performance and governance reporting in our new staffing structure. This will support informed planning and decision making.
- We have refreshed the membership of our Strategic Planning Group and we are commencing work to support development of our future contractual frameworks for Care at Home and Care and Support to develop sustainable, outcome focussed services. We have identified funding to support this development.
- We routinely report our performance to the IJB with further scrutiny from our Performance and Audit Committee and our Clinical and Care Governance Group. The service user and carer representation on the IJB and its governance structures is drawn from Your Voice which includes representatives from community care groups, representatives from our localities and representatives from equality organisations including disability and faith groups.
- We have recognised the challenges in the medium term and will continue to use 'invest to save' and "test of change" models. Our reserves strategy allows us to smooth the impact of change and to implement savings on a phased basis. Some examples include:
 - Investment in an additional pharmacy technician to mitigate prescribing pressures
 - Implementing our Digital Programme
 - Care at Home to support recruitment and retention and service improvement
 - Partnership Framework development
 - Organisational Learning and Development
- Governance Code; we have robust governance arrangements supported by a Governance Code.
- We need to review our Integration Scheme during 2019/20 to meet legislative requirements.
- The IJB continues to operate in a challenging environment and our financial, risk and performance reporting will continue to be a key focus of each IJB agenda.

We continue to maintain our strategic risk register for the IJB which identifies the key areas of risk that may impact the IJB and have implemented a range of mitigating actions to minimise any associated impact. The current risk register reflects:

- In-House Care at Home Service.
- Death or significant harm to a service user or patient.
- Historical sexual abuse inquiry.
- Child protection, adult protection and multi-agency public protection arrangements.
- Financial sustainability.
- Failure of a key care service provider.
- Access to primary care from pressure on GP list sizes related to population changes.
- Increase in our older population.
- Workforce planning and change.
- Increase in children and adults with additional support needs.

Conclusion

East Renfrewshire Integration Joint Board remains well placed in the short term to meet the coming challenges, building on many years of delivering integrated health and social care services and continuing to lead on developing new and innovative models of service delivery, not only ensuring financial sustainability, but also meeting the needs of our population. Whilst there is a degree of uncertainty over the medium to longer term funding which could pose risk to meeting future demand we continue to plan ahead and prepare for a range of scenarios.

Anne-Marie Monaghan
Chair
Integration Joint Board 25th September 2019

Julie Murray
Chief Officer
Integration Joint Board 30th September 2019

Lesley Bairden ACMA CGMA
Chief Financial Officer
Integration Joint Board 25th September 2019

Statement of Responsibilities

Responsibilities of the Integration Joint Board

The IJB is required to:

- Make arrangements for the proper administration of its financial affairs and to ensure that one of its officers has the responsibility for the administration of those affairs. In East Renfrewshire IJB, the proper officer is the Chief Financial Officer.
- Manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets.
- Ensure the annual accounts are prepared in accordance with legislation (The Local Authority Accounts (Scotland) Regulations 2014), and so far as is compatible with that legislation, in accordance with proper accounting practices (section 12 of the Local Government in Scotland Act 2003).
- Approve the Statement of Accounts.

I confirm that the audited Annual Accounts were approved for signature at a meeting of the Integration Joint Board on 25th September 2019.

Anne-Marie Monaghan
Chair

Integration Joint Board 25th September 2019

Responsibilities of the Chief Financial Officer

The Chief Financial Officer is responsible for the preparation of the IJB's annual accounts in accordance with proper practices as required by legislation and as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom (the Accounting Code).

In preparing these annual accounts, the Chief Financial Officer has:

- Selected appropriate accounting policies and applied them consistently.
- Made judgements and estimates that were reasonable and prudent.
- Complied with the legislation.
- Complied with the Accounting Code (in so far as it is compatible with the legislation).

The Chief Financial Officer has also:

- Kept proper accounting records that were up-to-date.
- Taken reasonable steps for the prevention and detection of fraud and other irregularities.

I certify that the financial statements give a true and fair view of the financial position of East Renfrewshire Integration Joint Board as at 31st March 2019 and the transactions for the IJB for the period covering 1st April 2018 to 31st March 2019.

Lesley Bairden ACMA CGMA
Chief Financial Officer
Integration Joint Board 25^h September 2019

Remuneration Report

Introduction

The Local Authority Accounts (Scotland) Regulations 2014 (SSI No. 2014/200) requires local authorities and IJBs in Scotland to prepare a Remuneration Report as part of the annual statutory accounts.

The IJB does not directly employ any staff in its own right. All staff are employed through either East Renfrewshire Council or NHS Greater Glasgow and Clyde. The report contains information on the IJB's Chief Officer's remuneration together with any taxable expenses relating to voting members claimed in the year. The remuneration of senior officers is determined by the contractual arrangements of East Renfrewshire Council and NHS Greater Glasgow and Clyde.

For 2018/19 no taxable expenses were claimed by members of the IJB.

The board members are entitled to payment for travel and subsistence expenses relating to approved duties. Payment of voting board members allowances is the responsibility of the member's individual partnership body. Non-voting Members of the IJB are entitled to the payment of travel expenses.

The IJB does not provide any additional remuneration to the Chair, Vice Chair or any other board members relating to their role on the IJB.

The information in the tables below is subject to external audit. The explanatory text in the Remuneration Report is reviewed by external auditors to ensure that it is consistent with the financial statements:

Integration Joint Board

The voting members of the IJB were appointed through nomination by East Renfrewshire Council and NHS Greater Glasgow and Clyde.

Senior Officers

The Chief Officer is appointed by the IJB in consultation with East Renfrewshire Council and NHS Greater Glasgow and Clyde. The Chief Officer is employed by East Renfrewshire Council and is funded equally between East Renfrewshire Council and NHS Greater Glasgow and Clyde.

The total remuneration received by the Chief Officer in 2018/19 amounted to £107,767 in regards to all of the duties undertaken during the financial year. In respect of the Chief Financial Officer, total remuneration for 2018/19 amounted to £82,342.

Name and Post	Salary, Fees and Allowances £	Taxable Expenses £	Total Remuneration 2018/19 £
Julie Murray, Chief Officer 2018/19	107,767	-	107,767
Julie Murray, Chief Officer 2017/18	106,961	-	106,961

Name and Post	Salary, Fees and Allowances £	Taxable Expenses £	Total Remuneration 2018/19 £
Lesley Bairden, Chief Financial Officer 2018/19 *	82,342	-	82,342
Lesley Bairden, Chief Financial Officer 2017/18	65,963	-	65,963

* The increase in remuneration reflects the changes in structure as part of our Fit for the Future redesign which saw the Chief Financial Officer post deleted and replaced by a Head of Finance and Resources; this post has a much wider remit and includes the statutory Chief Financial Officer role.

Voting Board Members 2018/19		Total Taxable IJB Related Expenses 2018/19 £
Councillor Tony Buchanan	East Renfrewshire Council	Nil
Councillor Caroline Bamforth (Vice Chair) April 2018 to March 2019	East Renfrewshire Council	Nil
Councillor Paul O' Kane	East Renfrewshire Council	Nil
Councillor Jim Swift	East Renfrewshire Council	Nil
Susan Brimelow	NHS Greater Glasgow and Clyde	Nil
Morag Brown (Chair to 31 March 2019)*	NHS Greater Glasgow and Clyde	Nil
John Mathews	NHS Greater Glasgow and Clyde	Nil
Anne-Marie Monaghan (Chair from 1 April 2019)*	NHS Greater Glasgow and Clyde	Nil

The equivalent cost in 2017/18 was nil for all IJB members.

From April 2019 Anne Marie Monaghan succeeded Morag Brown as Chair of the IJB.

The Pension entitlement for the Chief Officer for the year to 31st March 2019 is shown in the table below, together with the contribution made by the employing body to this pension during the year.

Name and Post	In Year Pension Contribution For year to 31 st March 2019 £	Accrued Pension Benefit as at 31 st March 2019	
		Pension £	Lump Sum £
Julie Murray, Chief Officer 2018/19	20,799	38,772	56,800
Julie Murray, Chief Officer 2017/18	20,644	35,910	55,946

The Chief Financial Officer joined the pension scheme on appointment in August 2015 and under the terms of the scheme no lump sum benefit has been identified.

Name and Post	In Year Pension Contribution For year to 31 st March 2019 £	Accrued Pension Benefit as at 31 st March 2019	
		Pension £	Lump Sum £
Lesley Bairden, Chief Financial Officer 2018/19	15,892	5,247	-
Lesley Bairden, Chief Financial Officer 2017/18	12,731	3,460	-

In respect of officers' pension benefits the statutory liability for any future contributions to be made rests with the relevant employing partner organisation. On this basis there is no pension liability reflected on the IJB balance sheet for the Chief Officer, Chief Financial Officer, or any other officers.

However the IJB has responsibility for funding the employer's contributions for the current year in respect of the officer time spent on fulfilling the responsibilities of their role on the IJB. The table above shows the IJB's funding during 2018/19 to support officers' pension benefits. The table also shows the total value of accrued pension benefits which may include benefits earned from a previous employment and from each officers own contributions.

General Disclosure by Pay Bands

The regulations require the Remuneration Report to provide information on the number of persons whose remuneration was £50,000 or above. This information is provided in bands of £5,000.

General Disclosure by Pay Bands

Number of Employees 31 st March 2018	Remuneration Band	Number of Employees 31 st March 2019
1	£65,000 - £69,999	-
-	£80,000 - £85,999	1
1	£105,000 - £109,999	1

Anne-Marie Monaghan
Chair
Integration Joint Board 25th September 2019

Julie Murray
Chief Officer
Integration Joint Board 30th September 2019

Annual Governance Statement

Introduction

The Annual Governance Statement explains the IJB's governance arrangements and reports on the effectiveness of the IJB's system of internal control. This is in line with the Code of Corporate Governance and meets the requirements of the 'Code of Practice for Local Authority Accounting in the UK: A Statement of Recommended Practice', in relation to the Statement on the System of Internal Financial Control. This should ensure:

- A focus on the assessment of how well the governance framework is working and what actions are being taken.
- The importance of the role and responsibilities of partners in supporting IJB good governance is adequately reflected.

Scope of Responsibility

The IJB is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for and used economically, efficiently and effectively. To ensure best value the IJB commits to continuous quality improvement in performance across all areas of activity.

To meet this responsibility the IJB continues to operate the governance arrangements first put in place during 2015/16, including the system of internal control. This is intended to manage risk to a reasonable level, but cannot eliminate the risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable, but not absolute assurance of effectiveness.

In discharging these responsibilities, the Chief Officer has a reliance on East Renfrewshire Council and NHS Greater Glasgow and Clyde systems of internal control that support compliance with both organisations' policies and promotes achievement of each organisations' aims and objectives, as well as those of the IJB.

The 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 and the activities through which it accounts to, engages with and leads the community. It enables the IJB to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. 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 policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

We have robust governance arrangements and have consolidated these into a Governance Code.

The Governance Framework

The main features of the governance framework in place during 2018/19 are summarised below:

- The IJB, comprising all IJB Board members, is the key decision making body.
- The scope, authority, governance and remit of the IJB is set out in constitutional documents including the Integration Scheme, Board terms of reference, scheme of administration and financial regulations and as reflected in our Code of Governance.
- The Performance and Audit Committee and Clinical and Care Governance Group provide further levels of scrutiny for the IJB.
- The IJB's purpose and vision is outlined in the IJB Strategic Plan which sets out how we will deliver the national health and wellbeing outcomes. This is underpinned by an annual implementation plan and performance indicators. Regular progress reports on the delivery of the Strategic Plan are provided to the Performance and Audit Committee and the IJB.
- The IJB has adopted a 'Code of Conduct' for all of its Board Members and employees. A register of interests is in place for all Board members and senior officers.
- The Performance and Audit Committee routinely review the Strategic Risk Register.
- The IJB has in place a continuous development programme with an ongoing series of seminars covering a wide range of topics and issues.
- The IJB has two localities Eastwood and Barrhead, aligned with hospital use and includes three clusters of GP practices. Each Locality has a dedicated Locality Manager.

The governance framework was put in place during 2015/16 when the IJB was established and the Governance Code was formalised and audited in 2017/18 and continues to operate effectively.

The System of Internal Financial Control

The system of internal financial control is based on a framework of regular management information, financial regulations, administrative procedures (including segregation of duties), management supervision, and a system of delegation and accountability. Development and maintenance of these systems is undertaken by East Renfrewshire Council and NHS Greater Glasgow and Clyde as part of the operational delivery of the HSCP. In particular, these systems include:

- Financial regulations and codes of financial practice.
- Comprehensive budgeting systems.
- Regular reviews of periodic and annual financial reports that indicate financial performance against the forecasts.
- Setting targets to measure financial and other performance.
- Clearly defined capital expenditure guidelines.
- Formal project management disciplines.
- The IJB's financial management arrangements complies with the governance requirements of the CIPFA statement: 'The Role of the Chief Financial Officer in Local Government (2010)'.

With regard to the entries taken from East Renfrewshire Council and NHS Greater Glasgow and Clyde accounts, the IJB is not aware of any weaknesses within their internal control systems and has placed reliance on the individual Statements of Internal Financial Control where appropriate.

Review of Adequacy and Effectiveness

The IJB has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of the effectiveness of the framework is informed by the work of the Senior Management Team who have responsibility for development and maintenance of the governance environment, the annual report by the Chief Internal Auditor and reports from Audit Scotland and other review agencies.

The Chief Internal Auditor reports directly to the IJB Performance and Audit Committee on all audit matters, with the right of access to the Chief Officer, Chief Financial Officer and Chair of the Performance and Audit Committee on any matter. In accordance with the principles of the code of corporate governance, regular reports were made to the IJB's Performance and Audit Committee during 2018/19. A member of East Renfrewshire Council's Audit and Scrutiny Committee was co-opted to the IJB Performance and Audit Committee during 2016/17 to promote transparency.

The Internal Audit function has independent responsibility for examining, evaluating and reporting on the adequacy of internal control. The IJB's internal audit arrangements comply with the governance requirements of the CIPFA statement: 'The Role of the Head of Internal Audit in Public Organisations (2019)'.

During 2018/19, the service operated in accordance with relevant professional audit standards and the Public Sector Internal Audit Standards. The Chief Internal Auditor's opinion, as reported to the Audit Committee, confirmed: "It is my opinion, based on the information

available and assurances provided, that reasonable assurance can be placed on the framework of governance, risk management and internal controls which operated in the East Renfrewshire Integration Joint Board in the year to 31 March 2019.”

We have a formal Code of Governance and the sections in the code and our level of compliance can be summarised as detailed below:

Code Section	Level of Compliance
Integration Scheme	Full
Local Governance Arrangements & Delegation of Functions	Full
Local Operational Delivery Arrangements	Full
Performance and Audit	Full
Clinical and Care Governance	Part
Chief Officer	Full
Workforce	Part
Finance	Full
Participation and Engagement	Full
Information Sharing and Data Handling	Full
Complaints/ Dispute Resolution Mechanism	Full
Claims Handling, Liability & Indemnity	Full
Risk Management	Full

The two areas where we are partly compliant are:

- Clinical and Care Governance; the Integration Scheme identifies a Carers representative should be on this group. We now have two representatives on this group, effective from 2019/20.
- Workforce; we are working on our current year workforce and learning & development plans and aim to have these completed by autumn for 2019. Our three year Workforce Plan covering 2020-23 needs to be approved and published by 31st March 2020.

Governance Issues during 2018/19

Whilst all operational and transactional governance issues are considered within our partner's governance frameworks the IJB Performance and Audit Committee take an overview on all actions resulting from both internal and external audit reports, covering all live actions whether pre or post 31st March 2019.

Regular reports on audit recommendations and associated actions are presented to and considered by the Performance and Audit Committee of the IJB. The IJB will also receive direct reports where appropriate.

The recommendations from the follow up audit on the implementation of the Care Finance system are taken to the Performance and Audit Committee with progress updates on a six monthly timescale. Whilst there is acknowledgement of the progress made and that the previous payments to providers audit is closed the Performance and Audit Committee will review progress until full completion.

An inspection by the Care Inspectorate of our in house Care at Home service highlighted a number of concerns and areas for improvement which we have been working on and will continue to deliver in 2019/20. We have established a comprehensive improvement plan, with target completion dates, to address the inspection's findings, which will see a wide range of activity and improvements to the following areas:

- Care and Support Personal Plans – new quality processes and documentation.
- Medication Management – updated policy, training module and assessment tool.
- Review of Personal Plans – improved planning and review processes.
- Complaints Handling – improved quality in our handling of complaints through training, better processes for compliance and more learning/analysis from complaints.
- Service Delivery Times – in consultation with service users and analysing visit time data we will aim to deliver the most appropriate scheduling for homecare.
- Staffing levels – addressing recruitment and retention issues within the service.
- Staff training and supervision – improving supervision and staff development within the service.

Action Plan

The IJB has identified the following actions for 2019/20 that will assist with the further strengthening of corporate governance arrangements:

- Ensure our Care at Home improvement plan is fully implemented, with progress against actions and target dates continuing to be reported to the Integration Joint Board throughout 2019/20.
- Continue to develop our management information to better inform our strategic and financial planning, commissioning strategy, change programme and decision making processes.
- Maintain and report, at least annually an updated Medium Term Financial Plan reflecting the latest intelligence and assumptions to support and inform future funding modelling and scenarios. This will be supplemented by seminars at specific stages in the budget setting process.
- Implement commissioning arrangements for the set aside budget and reduce our Accident and Emergency attendances.

- Continue to work with NHS Greater Glasgow and Clyde regarding the timing of future years funding confirmation, the budget setting timescale for 2019/20 demonstrates progress despite timeframe constraints.
- Regularly report on the local and national actions, along with our partners, resulting from the Audit Scotland Review of Integration and the Ministerial Strategic Group review of Health and Community Care.
- Develop and publish our three year Workforce Plan for 2020-23.

There are no unresolved issues relating to the 2017/18 Governance Action Plan.

Conclusion and Opinion on Assurance

It is our opinion that reasonable assurance can be placed upon the adequacy and effectiveness of the IJB system of governance.

We consider the internal control environment provides reasonable and objective assurance that any significant risks impacting on our principle 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.

Anne-Marie Monaghan
Chair

Integration Joint Board 25th September 2019

Julie Murray
Chief Officer

Integration Joint Board 30th September 2019

Independent auditor's report to the members of East Renfrewshire Health and Social Care Partnership Integration Joint Board and the Accounts Commission

Report on the audit of the financial statements

Opinion on financial statements

I certify that I have audited the financial statements in the annual accounts of East Renfrewshire Health and Social Care Partnership Integration Joint Board for the year ended 31 March 2019 under Part VII of the Local Government (Scotland) Act 1973. The financial statements comprise the Comprehensive Income and Expenditure Statement, Movement in Reserves Statement, Balance Sheet and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union, and as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2018/19 (the 2018/19 Code).

In my opinion the accompanying financial statements:

- give a true and fair view in accordance with applicable law and the 2018/19 Code of the state of affairs of the body as at 31 March 2019 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union, as interpreted and adapted by the 2018/19 Code; and
- have been prepared in accordance with the requirements of the Local Government (Scotland) Act 1973, The Local Authority Accounts (Scotland) Regulations 2014, and the Local Government in Scotland Act 2003.

Basis for opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the Code of Audit Practice approved by the Accounts Commission for Scotland. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I was appointed by the Accounts Commission on 07 January 2019. This is the first year of my appointment. I am independent of the body in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. Non-audit services prohibited by the Ethical Standard were not provided to the body. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern basis of accounting

I have nothing to report in respect of the following matters in relation to which the ISAs (UK) require me to report to you where:

- the use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Head of Finance and Resources has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the body's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Risks of material misstatement

I have reported in a separate Annual Audit Report, which is available from the [Audit Scotland website](#), the most significant assessed risks of material misstatement that I identified and my conclusions thereon.

Responsibilities of the Head of Finance and Resources and Performance and Audit Committee for the financial statements

As explained more fully in the Statement of Responsibilities, the Head of Finance and Resources is responsible for the preparation of financial statements that give a true and fair view in accordance with the financial reporting framework, and for such internal control as the Head of Finance and Resources determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Head of Finance and Resources is responsible for assessing the body's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless deemed inappropriate. The Performance and Audit Committee is responsible for overseeing the financial reporting process.

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, intentional omissions, misrepresentations, or the override of internal control. The capability of the audit to detect fraud and other irregularities depends on factors such as the skilfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved. I therefore design and perform audit procedures which respond to the assessed risks of material misstatement due to fraud.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor's report.

Other information in the annual accounts

The Head of Finance and Resources is responsible for the other information in the annual accounts. The other information comprises the information other than the financial statements, the audited part of the Remuneration Report, and my auditor's report thereon. My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon except on matters prescribed by the Accounts Commission to the extent explicitly stated later in this report.

In connection with my audit of the financial statements, my responsibility is to read all the other information in the annual accounts and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether there is a material misstatement in the

financial statements or a material misstatement of the other information. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Report on other requirements

Opinions on matters prescribed by the Accounts Commission

In my opinion, the audited part of the Remuneration Report has been properly prepared in accordance with The Local Authority Accounts (Scotland) Regulations 2014.

In my opinion, based on the work undertaken in the course of the audit:

- the information given in the Management Commentary for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with statutory guidance issued under the Local Government in Scotland Act 2003; and
- the information given in the Annual Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Delivering Good Governance in Local Government: Framework (2016).

Matters on which I am required to report by exception

I am required by the Accounts Commission to report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and the audited part of the Remuneration Report are not in agreement with the accounting records; or
- I have not received all the information and explanations I require for my audit

I have nothing to report in respect of these matters.

Conclusions on wider scope responsibilities

In addition to my responsibilities for the annual accounts, my conclusions on the wider scope responsibilities specified in the Code of Audit Practice, including those in respect of Best Value, are set out in my Annual Audit Report.

Use of my report

This report is made solely to the parties to whom it is addressed in accordance with Part VII of the Local Government (Scotland) Act 1973 and for no other purpose. In accordance with paragraph 120 of the Code of Audit Practice, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

John Cornett, FCPFA
 Audit Director
 Audit Scotland
 4th Floor
 8 Nelson Mandela Place
 Glasgow
 G2 1BT

30 September 2019

The Financial Statements

The (Surplus) or Deficit on the Income and Expenditure Statement shows the income received from and expenditure directed back to East Renfrewshire Council and NHS Greater Glasgow and Clyde for the delivery of services.

COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT

For the year ended 31st March 2019

2017/18			2018/19				
Gross Expenditure	Gross Income	Net Expenditure	Objective Analysis	Note	Gross Expenditure	Gross Income	Net Expenditure
£000	£000	£000			£000	£000	£000
10,349	542	9,807	Children and Families		10,252	443	9,809
35,094	3,140	31,954	Older People's Services		37,929	3,510	34,419
5,158	50	5,108	Physical/Sensory Disability		5,312	264	5,048
17,634	739	16,895	Learning Disability – Community		17,939	1,631	16,308
9,461	1,267	8,194	Learning Disability – Inpatients		9,422	1,460	7,962
4,671	249	4,422	Mental Health		4,904	176	4,728
2,122	187	1,935	Addictions / Substance Misuse		2,099	65	2,034
23,610	1,379	22,231	Family Health Services		23,722	1,513	22,209
16,326	-	16,326	Prescribing		16,194	-	16,194
587	576	11	Criminal Justice		563	563	-
373	24	349	Planning and Health Improvement		225	-	225
8,454	1,617	6,837	Management and Admin		9,019	552	8,467
342	-	342	Corporate Services	6	215	-	215
134,181	9,770	124,411	Cost of Services Managed by East Renfrewshire IJB		137,795	10,177	127,618
14,561	-	14,561	Set Aside for delegated services provided in large hospitals		16,624	-	16,624
253	-	253	Aids and Adaptations		290	-	290
148,995	9,770	139,225	Total Cost of Services to East Renfrewshire IJB		154,709	10,177	144,532
-	82,439	82,439	NHS Greater Glasgow and Clyde	3	-	84,922	84,922
-	45,625	45,625	East Renfrewshire Council	3	-	48,557	48,557
-	6,449	6,449	Resource Transfer	3	-	6,449	6,449
-	5,161	5,161	Social Care Fund	3	-	5,132	5,132
-	139,674	139,674	Taxation and Non Specific Grant Income		-	145,060	145,060
148,995	149,444	(449)	(Surplus) or Deficit on Provision of Services		154,709	155,237	(528)
148,995	149,444	(449)	Total Comprehensive (Income) and Expenditure		154,709	155,237	(528)

MOVEMENT IN RESERVES STATEMENT

This statement shows the movement in the financial year on the reserve held by the IJB, analysed into 'usable reserves' (i.e. those that can be applied to fund expenditure) and 'non usable reserves'. The (Surplus) or Deficit on the Provision of Services reflects the true cost of providing services, more details of which are shown in the Comprehensive Income and Expenditure Statement.

2017/18 £000	General Reserves	2018/19 £000
(4,360) (449)	Balance as at 31 st March 2018 brought forward Total Comprehensive Income & Expenditure	(4,809) (528)
(449)	(Surplus) or Deficit on the Provision of Services	(528)
(4,809)	BALANCE AS AT 31st MARCH 2019 CARRIED FORWARD	(5,337)

BALANCE SHEET**As at 31st March 2019**

The Balance Sheet as at 31st March 2019 is a snapshot of the value at that reporting date of the assets and liabilities recognised by the IJB. The net assets of the IJB (assets less liabilities) are matched by the reserves held by the IJB.

31st March 2018 £000		Notes	31st March 2019 £000
4,986	Current Assets		5,469
4,986	Short Term Debtors	7	5,469
177	Current Liabilities		132
177	Short Term Creditors	7	132
4,809	Net Assets		5,337
(4,809)	Reserves	8	(5,337)
(4,809)	Total Reserves		(5,337)

The Statement of Accounts present a true and fair view of the financial position of the IJB as at 31st March 2019 and its income and expenditure for the year then ended.

The audited annual report and accounts were submitted for approval and issue by the IJB on 25th September 2019.

Lesley Bairden ACMA CGMA
Chief Financial Officer
Integration Joint Board 25th September 2019

Notes to the Financial Statements

1. Accounting Policies

1.1 General Principles

The Statement of Accounts summarises the IJB's transactions for the 2018/19 reporting period and its position as at 31st March 2019.

The East Renfrewshire IJB is formed under the terms of the Public Bodies (Joint Working) (Scotland) Act 2014 and is a joint venture between East Renfrewshire Council and NHS Greater Glasgow and Clyde.

IJBs are specified as Section 106 bodies under the Local Government (Scotland) Act 1973 and as such are required to prepare their financial statements in compliance with the Code of Practice on Local Authority Accounting in the United Kingdom 2018/19 supported by International Finance Reporting Standards (IFRS).

1.2 Accruals of Income and Expenditure

Activity is accounted for in the year it takes place not simply when cash payments are made or received. In particular:

All known specific and material sums payable to the IJB have been brought into account.

Where revenue and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet.

1.3 Going Concern

The accounts are prepared on a going concern basis, which assumes that the IJB will continue in operational existence for the foreseeable future.

1.4 Accounting Convention

The accounting convention adopted in the Statement of Accounts is a historic cost basis.

1.5 Funding

East Renfrewshire IJB receives contributions from its funding partners, namely East Renfrewshire Council and NHS Greater Glasgow and Clyde to fund its services. Expenditure is incurred in the form of charges for services provided to the IJB by its partners.

1.6 Reserves

Reserves are created by appropriate amounts from the Statement of Income and Expenditure in the Movement in Reserves Statement.

Reserves have been created in order to finance expenditure in relation to specific projects. When expenditure to be financed from a reserve is incurred it will be charged to the appropriate service in that year and will be funded by an appropriation back to the Comprehensive Income and Expenditure Statement in the Movement in Reserves Statement.

A general reserve has also been established as part of the financial strategy of the East Renfrewshire IJB in order to better manage the risk of any future unanticipated events that may materially impact on the financial position of the IJB.

1.7 Events after the Balance Sheet Date

Events after the Balance Sheet date are those events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the Annual Accounts are authorised.

Where events take place before the date of authorisation and provide information about conditions existing as at 31st March 2019 the figures in the financial statements and notes have been adjusted in all material aspects to reflect the impact of this information.

Events taking place after the date when the Accounts were authorised are not reflected in the financial statement or notes.

1.8 Related Party Transactions

As partners of East Renfrewshire IJB both East Renfrewshire Council and NHS Greater Glasgow and Clyde are related parties and material transactions with those bodies are disclosed in Note 5 (Page 42) in accordance with the requirements of International Accounting Standard 24.

1.9 Provisions, Contingent Assets and Liabilities

Provisions are made where an event has taken place that gives the IJB a legal or constructive obligation that probably requires settlement by a transfer of economic benefits or service potential and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the appropriate service line in the Statement of Income and Expenditure in the year that the IJB becomes aware of the obligation and measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made they are charged to the provision held in the Balance Sheet. Estimated settlements are reviewed at the end of each financial year. Where it becomes less probable that a transfer of economic benefits will be required (or a lower settlement than anticipated is made) the provision is reversed and credited back to the relevant service.

A contingent asset or liability arises where an event has taken place that gives the IJB a possible obligation or benefit whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the IJB. Contingent assets or liabilities also arise in circumstances where a provision would otherwise be made but, either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.

Contingent assets and liabilities are not recognised in the Balance Sheet but are disclosed in a Note to the Accounts where they are deemed material.

1.10 Indemnity Insurance

The IJB has indemnity insurance for costs relating primarily to potential claim liabilities regarding Board member and officer responsibilities. NHS Greater Glasgow and Clyde and East Renfrewshire Council have responsibility for claims in respect of the services they are statutorily responsible for and that they provide.

Unlike NHS Boards the IJB does not have any 'shared risk' exposure from participation in CNORIS. The IJB participation in the CNORIS scheme is therefore similar to normal insurance arrangements.

In the event that known claims were identified they would be assessed as to the value and probability of settlement. Where material the overall expected value of any such known claims, taking probability of settlement into consideration, would be provided for in the IJB's Balance Sheet. No such claims were identified as at 31st March 2019.

Similarly, the likelihood of receipt of an insurance settlement to cover any claims would be separately assessed, and where material, they would be presented as either a debtor or disclosed as a contingent asset. No such receipts were identified as at 31st March 2019.

The cost of participation in the CNORIS scheme was funded on our behalf by NHS Greater Glasgow and Clyde.

1.11 Corresponding Amounts

These Financial Statements cover the period 1st April 2018 to 31st March 2019, with corresponding full year amounts for 2017/18.

1.12 VAT

The IJB is not a taxable person and does not charge or recover VAT on its functions.

The VAT treatment of expenditure and income within the Accounts depends upon which of the partners is providing the service as these bodies are treated differently for VAT purposes.

The services provided by the Chief Officer to the IJB are outside the scope of VAT as they are undertaken under a specific legal regime.

1.13 Post - Employment Benefits – Pension Costs

The accounting requirements for pension costs in respect of Post - Employment Benefits under IAS9 and FRS17 are reflected in the accounts of East Renfrewshire Council and NHS Greater Glasgow and Clyde as the respective employers of current and former staff members. The IJB does not directly employ any members of staff in its own right and accordingly has accrued no liability in regards to post employment pension benefits.

2. Expenditure and Income Analysis by Nature

2017/18 £000		2018/19 £000
(139,674)	Partners funding contribution and non-specific grant income	(145,060)
(9,770)	Fees and charges and other service income	(10,177)
(149,444)	2018/19 TOTAL FUNDING	(155,237)
36,664	Employee Costs	36,602
974	Premises Costs	818
328	Transport Costs	375
6,803	Supplies & Services	7,201
47,501	Third Party Payments	50,995
2,045	Support Costs	2,126
18,894	Prescribing	16,024
20,883	Family Health Service	23,729
14,561	Acute Hospital Services	16,624
318	Corporate Costs	190
24	External Audit Fee	25
148,995	2018/19 COST OF SERVICES	154,709

There are no statutory or presentational adjustments which affect the IJB's application of funding received from partner organisations. The movement in the IJB balance sheet is therefore solely due to the transactions shown in the Comprehensive Income and Expenditure Statement. Consequently an Expenditure and Funding Analysis is not provided in these accounts.

3. Taxation and Non Specific Grant Income

2017/18 £000		2018/19 £000
45,625	East Renfrewshire Council	48,557
82,439	NHS Greater Glasgow and Clyde	84,922
6,449	Resource Transfer	6,449
5,161	Social Care Fund	5,132
139,674	PARTNERS FUNDING CONTRIBUTION & NON SPECIFIC GRANT INCOME	145,060

The funding contribution from NHS Greater Glasgow and Clyde includes £16.624 million in respect of East Renfrewshire's use of set aside for delegated services provided in large hospitals. These are provided by the NHS, which retains responsibility for managing the costs of providing the service. The IJB however, has responsibility for the consumption of and level of demand placed on these services.

4. Learning Disability – Inpatients

As detailed at Note 11 the IJB has considered the basis of the preparation of the 2018/19 accounts in respect of Learning Disability In Patient Services hosted by the East Renfrewshire IJB for other IJBs within the NHS Greater Glasgow & Clyde Area. Accordingly, the IJB is considered to be acting as a 'principal' and the 2018/19 financial statements have been prepared on this basis with the full costs of such services being reflected in the 2018/19 financial statements. The cost of the hosted service provided to other IJBs and consumed by East Renfrewshire in regards Learning Disability Inpatients is detailed below.

2017/18 £000	LEARNING DISABILITY IN PATIENTS SERVICES HOSTED BY EAST RENFREWSHIRE IJB	2018/19 £000
6,600	Glasgow	6,234
688	Renfrewshire	918
416	Inverclyde	142
381	West Dunbartonshire	570
-	East Dunbartonshire	-
8,085	Learning Disability In Patients Services Provided to other IJB's	7,864
109	East Renfrewshire	98
8,194	TOTAL LEARNING DISABILITY – INPATIENTS SERVICES	7,962

Likewise, other IJBs act as the principal for a number of other hosted services on behalf of the East Renfrewshire IJB, as detailed below; such costs are reflected in the financial statements of the host IJB.

2017/18 £000	SERVICES PROVIDED TO EAST RENFREWSHIRE IJB BY OTHER IJBs WITHIN NHS GREATER GLASGOW AND CLYDE	2018/19 £000
348	Physiotherapy	434
57	Retinal Screening	53
430	Podiatry	452
283	Primary Care Support	295
287	Continence	293
616	Sexual Health	613
1,014	Mental Health	876
891	Oral Health	858
347	Addictions	335
191	Prison Health Care	184
159	Health Care in Police Custody	163
4,000	Psychiatry	3,811
8,623	NET EXPENDITURE ON SERVICES PROVIDED	8,367

5. Related Party Transactions

The following financial transactions were made with East Renfrewshire Council and NHS Greater Glasgow and Clyde relating to integrated health and social care functions during 2018/19. The nature of the partnership means that the IJB may influence, and be influenced by its partners.

2017/18 £000	Income – payments for integrated functions	2018/19 £000
87,581	NHS Greater Glasgow and Clyde	89,485
61,863	East Renfrewshire Council	65,224
149,444	TOTAL	154,709

2017/18 £000	Expenditure – payments for delivery of integrated functions	2018/19 £000
87,581	NHS Greater Glasgow and Clyde	89,485
61,414	East Renfrewshire Council	65,752
148,995	TOTAL	155,237

6. Corporate Expenditure

2017/18 £000	Corporate Expenditure	2018/19 £000
173	Staff Costs	190
145	Administration Costs	-
24	Audit Fee	25
342	TOTAL	215

The cost associated with running the IJB has been met in full by East Renfrewshire Council and NHS Greater Glasgow and Clyde reflecting the continuation of the arrangement for the previous Community Health and Care Partnership.

The costs charged to the IJB in respect of non-voting members include the Chief Officer and Chief Financial Officer. Details of the remuneration for post holders are provided in the Remuneration Report.

The costs of other key management staff who advise the IJB, such as the Chief Social Work Officer and the Chief Nurse are reflected within operational budgets. Those costs above reflect only the IJB statutory posts.

NHS Greater Glasgow and Clyde did not charge for any support services provided in the year ended 31st March 2019.

The support services for East Renfrewshire Council are included within the funding provided to the IJB as set out in the Scheme of Integration and as such have been charged for in 2018/19.

Fees payable to Audit Scotland in respect of external audit services undertaken in accordance with Audit Scotland's Code of Audit Practice 2018/19 amounted to £25,000. There were no fees paid to Audit Scotland in respect of any other services.

VAT is not included in the costs identified.

7. Short Term Debtors and Creditors

2017/18 £000	Short Term Debtors	2018/19 £000
683 4,303	NHS Greater Glasgow and Clyde East Renfrewshire Council	761 4,708
4,986	TOTAL	5,469

2017/18 £000	Short Term Creditors	2018/19 £000
116 61	NHS Greater Glasgow and Clyde East Renfrewshire Council	71 61
177	TOTAL	132

8. Reserves

As at 31st March 2019 the IJB has created earmarked reserves in order to fund expenditure in respect of specific projects. In addition a general reserve has been created as part of the financial strategy of the IJB in order to better manage the risk of any future unanticipated events that may materially impact on the financial position of the IJB.

2017/18 £000	Reserves	Transfers Out £000	Transfers In £000	2018/19 £000
	Scottish Government Funding			
-	Mental Health Action 15	-	111	111
-	Alcohol & Drugs Partnership	-	68	68
249	Primary Care Improvement	15	186	420
	Bridging Finance			
1,465	Budget Savings Reserve	326	-	1,139
500	In Year Pressures Reserve	-	-	500
250	Prescribing	28	-	222
529	Children & Families	-	135	664
	Transitional Funding			
450	Bonnyton	450	-	-
701	Learning Disability Specialist Services	-	338	1,039
	Project Reserves			
58	District Nursing	19	-	39
55	Active Lives (Community Capacity)	-	-	55
52	Projects and Initiatives	-	57	109
49	Learning Disability Non Specialist Services	-	-	49
9	Speech & Language Therapy	9	-	-
	Renewals & Repairs			
100	Learning Disability Non Specialist Services	-	-	100
	Capacity			
-	Care at Home	-	250	250
-	Partnership Strategic Framework	-	200	200
70	Organisational Learning & Development	-	30	100
4,537	TOTAL EARMARKED RESERVES	847	1,375	5,065
272	TOTAL GENERAL RESERVES	-	-	272
4,809	TOTAL ALL RESERVES	847	1,375	5,337

9. Contingent Assets and Liabilities

There are no contingent assets or liabilities as at 31st March 2019.

10. New standards issued but not yet adopted

The Code requires the disclosure of information relating to the impact of an accounting change that will be required by a new standard that has been issued but not yet adopted. The IJB considers that there are no such standards which would have a significant impact on the 2018/19 annual accounts.

11. Critical Judgements & Estimation Uncertainty

In applying the accounting policies set out above, the IJB has had to make a critical judgement relating to complex transactions in respect of Learning Disability Inpatients Services hosted within the East Renfrewshire IJB for other IJB's within the NHS Greater Glasgow & Clyde area. Within NHS Greater Glasgow & Clyde each IJB has operational responsibility for services which it hosts on behalf of other IJB's. In delivering these services the IJB has primary responsibility for the provision of services and bears the risk and reward associated with this service delivery in terms of demand and the financial resources required. As such the IJB is considered to be acting as 'principal' and the full costs should be reflected within the financial statements for the services which it hosts. This is the basis on which the 2018/19 accounts have been prepared.

The figure included in the 2018/19 financial statements in respect of set aside for delegated services provided in large hospitals is provided by the NHS which retains responsibility for managing the costs of providing the services. The IJB, however, has responsibility for the consumption of, and level of demand placed on, these resources.

12. Post Balance Sheet Events

The 2018/19 Annual Report and Accounts were authorised for issue by the IJB on 25 September 2019. There have been no adjusting events (events which provide evidence of conditions that existed at the balance sheet date) and no such adjusting events have been reflected in the financial statements or notes. Likewise there have been no non – adjusting events, which are indicative of conditions after the balance sheet date, and accordingly the financial statements have not been adjusted for any such post balance sheet events.

Where to find more information

In This Document

The requirements governing the format and content of the IJB annual accounts follows guidance issued by the Integrated Resources Advisory Group and by The Local Authority (Scotland) Accounts Advisory Committee (LASAAC).

On Our Website

Further information on the Accounts can be obtained on East Renfrewshire Council's website <http://www.eastrenfrewshire.gov.uk/health-and-social-care-integration> or from East Renfrewshire HSCP, Eastwood Health and Care Centre, Drumby Crescent, Clarkston, G76 7HN.

Acknowledgement

I wish to record my thanks to staff within the HSCP for their co-operation in producing the Annual Report and Accounts in accordance with the prescribed timescale. In particular the support of the Accountancy and Performance staff within the partnership are gratefully acknowledged.

Anne-Marie Monaghan
Chair
Integration Joint Board

25th September 2019

Julie Murray
Chief Officer
Integration Joint Board

30th September 2019

Lesley Bairden ACMA CGMA
Chief Financial Officer
Integration Joint Board

25th September 2019

BLANK PAGE

APPENDIX 2: Letter of Representation (ISA 580)

John Cornett, Audit Director
Audit Scotland
4th Floor
8 Nelson Mandela Place
Glasgow
G2 1BT

Dear John,

East Renfrewshire Health and Social Care Partnership Integration Joint Board Annual Accounts 2018/19

1. This representation letter is provided in connection with your audit of the annual accounts of East Renfrewshire Health and Social Care Partnership Integration Joint Board for the year ended 31 March 2019 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view in accordance with the financial reporting framework, and for expressing other opinions on the remuneration report, management commentary and annual governance statement.
2. I confirm to the best of my knowledge and belief and having made appropriate enquiries of the Performance and Audit Committee, the following representations given to you in connection with your audit of East Renfrewshire Health and Social Care Partnership Integration Joint Board annual accounts for the year ended 31 March 2019.

General

3. East Renfrewshire Health and Social Care Partnership Integration Joint Board and I have fulfilled our statutory responsibilities for the preparation of the 2018/19 annual accounts. All the accounting records, documentation and other matters which I am aware are relevant to the preparation of the annual accounts have been made available to you for the purposes of your audit. All transactions undertaken by East Renfrewshire Health and Social Care Partnership Integration Joint Board have been recorded in the accounting records and are properly reflected in the financial statements.
4. I confirm that the effects of uncorrected misstatements are immaterial, individually and in aggregate, to the financial statements as a whole. I am not aware of any uncorrected misstatements.

Financial Reporting Framework

5. The annual accounts have been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2018/19 (2018/19 accounting code), mandatory guidance from LASAAC, and the requirements of the Local Government (Scotland) Act 1973, the Local Government in Scotland Act 2003 and The Local Authority Accounts (Scotland) Regulations 2014.

6. In accordance with the 2014 regulations, I have ensured that the financial statements give a true and fair view of the financial position of the East Renfrewshire Health and Social Care Partnership Integration Joint Board at 31 March 2019 and the transactions for 2018/19.

Accounting Policies & Estimates

7. All significant accounting policies applied are as shown in the notes to the financial statements. The accounting policies are determined by the 2018/19 accounting code, where applicable. Where the code does not specifically apply, I have used judgement in developing and applying an accounting policy that results in information that is relevant and reliable. All accounting policies applied are appropriate to East Renfrewshire Health and Social Care Partnership Integration Joint Board's circumstances and have been consistently applied.
8. The significant assumptions used in making accounting estimates are reasonable and properly reflected in the financial statements. Judgements used in making estimates have been based on the latest available, reliable information. Estimates have been revised where there are changes in the circumstances on which the original estimate was based or as a result of new information or experience.

Going Concern Basis of Accounting

9. I have assessed East Renfrewshire Health and Social Care Partnership Integration Joint Board's ability to continue to use the going concern basis of accounting and have concluded that it is appropriate. I am not aware of any material uncertainties that may cast significant doubt on East Renfrewshire Health and Social Care Partnership Integration Joint Board's ability to continue as a going concern.

Liabilities

10. All liabilities at 31 March 2019 of which I am aware have been recognised in the annual accounts.
11. There are no plans or intentions that are likely to affect the carrying value or classification of the liabilities recognised in the financial statements.

Fraud

12. I have provided you with all information in relation to
 - my assessment of the risk that the financial statements may be materially misstated as a result of fraud
 - any allegations of fraud or suspected fraud affecting the financial statements
 - fraud or suspected fraud that I am aware of involving management, employees who have a significant role in internal control, or others that could have a material effect on the financial statements.

Laws and Regulations

13. I have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements.

Related Party Transactions

14. All material transactions with related parties have been appropriately accounted for and disclosed in the financial statements in accordance with the 2018/19 accounting code. I have made

available to you the identity of all the East Renfrewshire Health and Social Care Partnership Integration Joint Board's related parties and all the related party relationships and transactions of which I am aware.

Remuneration Report

15. The Remuneration Report has been prepared in accordance with the Local Authority Accounts (Scotland) Regulations 2014, and all required information of which I am aware has been provided to you.

Management commentary

16. I confirm that the Management Commentary has been prepared in accordance with the statutory guidance and the information is consistent with the financial statements.

Corporate Governance

17. I confirm that the East Renfrewshire Health and Social Care Partnership Integration Joint Board has undertaken a review of the system of internal control during 2018/19 to establish the extent to which it complies with proper practices set out in the Delivering Good Governance in Local Government: Framework 2016. I have disclosed to you all deficiencies in internal control identified from this review or of which I am otherwise aware.
18. I confirm that the Annual Governance Statement has been prepared in accordance with the Delivering Good Governance in Local Government: Framework 2016 and the information is consistent with the financial statements. There have been no changes in the corporate governance arrangements or issues identified, since 31 March 2019, which require to be reflected.

Balance Sheet

19. All events subsequent to 31 March 2019 for which the 2018/19 accounting code requires adjustment or disclosure have been adjusted or disclosed.

Yours sincerely

Lesley Bairden
Head of Finance and Resources
East Renfrewshire Health and Social Care Partnership Integration Joint Board

BLANK PAGE



Meeting of East Renfrewshire Health and Social Care Partnership	Performance and Audit Committee
Held on	25 September 2019
Agenda Item	8
Title	Performance Update Report - Quarter 1 2019-20
<p>Summary</p> <p>This report provides Performance and Audit Committee with an update on progress against our strategic performance measures for the period Quarter 1 2019/20. The performance measures were developed to monitor progress in the delivery of the priorities set out in the HSCP Strategic Plan 2018-2021. Where data is available for Quarter 1 this is included (along with any previously unavailable updates for earlier periods).</p>	
Presented by	Steven Reid, Policy, Planning and Performance Manager
<p>Action Required</p> <p>Performance and Audit Committee is asked to note and comment on the Quarter 1 Performance Report 2019-20.</p>	

BLANK PAGE

EAST RENFREWSHIRE INTEGRATION JOINT BOARD

PERFORMANCE AND AUDIT COMMITTEE

25 September 2019

Report by Chief Officer

PERFORMANCE REPORT - QUARTER 1 2019-20

PURPOSE OF REPORT

1. This report provides Performance and Audit Committee with an update on progress against our strategic performance measures for the period Quarter 1 2019/20. The performance measures were developed to monitor progress in the delivery of the priorities set out in the HSCP Strategic Plan 2018-2021. Where data is available for Quarter 1 this is included (along with any previously unavailable updates for earlier periods). Indicators included in our strategic performance framework but without data updates for Quarter 1 are listed at the end of the report (Annex 1).

RECOMMENDATION

2. Performance and Audit Committee is asked to note and comment on the Quarter 1 Performance Report 2019-20.

BACKGROUND

3. The last meeting of the Performance and Audit Committee discussed the HSCP Annual Performance Report covering the financial year 2018-19.

REPORT

4. The attached report provides an update on the performance measures set out under our strategic priorities, with Quarter 1 data provided where available.
 - Mental wellbeing is improved among children, young people and families in need
 - People are supported to stop offending and rebuild their lives through new community justice pathways
 - Wellbeing is improved in our communities that experience shorter life expectancy and poorer health
 - People are supported to maintain their independence at home and in their local community.
 - People who experience mental ill-health are supported on their journey to recovery
 - Unplanned admissions to hospital are reduced
 - People who care for someone are able to exercise choice and control in relation to their caring activities
5. The final section contains a number of organisational indicators relating to customer feedback (including complaints performance), efficiency, and staffing performance.
6. Annex 1 contains a list of the performance measures for which Quarter 1 data is not available. These will next be reported on in our 2019/20 Mid-Year Performance Report.

RECOMMENDATIONS

7. Performance and Audit Committee is asked to note and comment on the Quarter 1 Performance Report 2019-20.

REPORT AUTHOR AND PERSON TO CONTACT

Steven Reid, Policy, Planning and Performance Manager
Steven.Reid@eastrenfrewshire.gov.uk

September 2019

Chief Officer, IJB: Julie Murray

BACKGROUND PAPERS

None

HSCP Strategic Performance Report - Q1 2019-20

Report Author: Steven Reid, September 2019







Green	performance is at or better than the target
Amber	Performance is close (approx 5% variance) to target
Red	Performance is far from the target (over 5%)





Trend arrows point upwards where there is improved performance (including where we aim to decrease the value).

<i>Strategic Priority 1 - Mental wellbeing is improved among children, young people and families in need</i>							
Description	Last Update	Performance Data Current Value	Performance Data Current Target	Performance Data Traffic Light	Performance Data Long Term Trend Arrow	Performance Data Short Term Trend Arrow	Notes & History Latest Note
INCREASE - Percentage of positive response to Viewpoint question "Do you feel safe at home?"	Q1 2019/20	92%	91%	Green	↓	↓	Response rate in Q1 was low. Viewpoint participation is a high priority for Children & Family Teams and support is being made available to increase take up.
INCREASE - Children and young people starting treatment for specialist Child and Adolescent Mental Health Services within 18 weeks of referral	Q1 2019/20	74%	90%	Red	↓	↑	This was a 2% improvement from 72% in Q4 2018/19.
DECREASE - Child & Adolescent Mental Health - longest wait in weeks at month end.	Q1 2019/20	40	18	Red	↓	↓	Latest data at Qtr 1, the monthly average longest wait for April to June 2019 was 40 weeks although NHSGGC data shows that performance has improved for July and August. We continue to perform below the NHSGGC average on this measure. Improving access and waiting times for CAMHS remains a key area of focus for the HSCP.



Strategic Priority 2 - People are supported to stop offending and rebuild their lives through new community justice pathways



















Description	Last Update	Performance Data Current Value	Performance Data Current Target	Performance Data Traffic Light	Performance Data Long Term Trend Arrow	Performance Data Short Term Trend Arrow	Notes & History Latest Note
INCREASE - Community Payback Orders - Percentage of unpaid work placement completions within Court timescale.	Q1 2019/20	72%	80%	Red			72% completed within timescales set out by court. 13 out of a total of 18.
INCREASE - % Change in women's domestic abuse outcomes	Q1 2019/20	64%	70%	Green			In Q1 a total of 21 women showed an 81% improvement in domestic abuse outcomes. This relates to users of both the refuge and outreach services. Improved outcomes related to safety, health and wellbeing, empowerment and self-esteem.

Strategic Priority 4 - People are supported to maintain their independence at home and in their local community.

Description	Last Update	Performance Data Current Value	Performance Data Current Target	Performance Data Traffic Light	Performance Data Long Term Trend Arrow	Performance Data Short Term Trend Arrow	Notes & History Latest Note
INCREASE - Number of people self-directing their care through receiving direct payments and other forms of self-directed support.	2018/19	514	600	Red			N.B. This is a provisional figure for 2018/19. A total of 514 people were in receipt of SDS 1 and 2 Option payments. A further 612 people were covered under SDS Option 3. (Source : Social Care Return 2018/19)
INCREASE - People reporting 'living where you/as you want to live' needs met (%)	Q1 2019/20	88%	90%	Green			In Qtr 1 of the 211 valid responses 185 respondents reported their needs met.

Strategic Priority 5 - People who experience mental ill-health are supported on their journey to recovery

Description	Last Update	Performance Data Current Value	Performance Data Current Target	Performance Data Traffic Light	Performance Data Long Term Trend Arrow	Performance Data Short Term Trend Arrow	Notes & History Latest Note
INCREASE - Percentage of people waiting no longer than 18 weeks for access to psychological therapies	Q1 2019/20	59%	90%	Red			While we continue to perform below target there was an improving trend over the course of 2018-19. Performance dropped to 59% in Q1 (from 64% for the previous quarter) but the monitoring data is showing improved performance in Q2 (at 66%).

Strategic Priority 6 - Unplanned admissions to hospital are reduced							
Description	Last Update	Performance Data Current Value	Performance Data Current Target	Performance Data Traffic Light	Performance Data Long Term Trend Arrow	Performance Data Short Term Trend Arrow	Notes & History Latest Note
DECREASE - people (18+) waiting more than 3 days to be discharged from hospital into a more appropriate care setting including AWI (ISD data)	Q1 2019/20	5	0	Red			Between April and June there were 8, 2 and 4 delayed discharges per month respectively.
DECREASE -Delayed discharges bed days lost to delayed discharge rate per 1,000 for patients aged 75+	Q1 2019/20	44	50	Green			This corresponds to an average of 15 days lost per 1,000 (75+ population) a month for quarter 1 of 2019/20.
DECREASE - Delayed discharges (ISD) bed days lost to delayed discharge (REDUCE)	Q1 2019/20	472	477	Green			Bed days lost to delayed discharge have been reducing and we are within target for Q1. Of the 472 days lost 428 (91%) were due to health and social care or patient and family reasons.
DECREASE - No. of A & E Attendances (NHSGGC data)	Q1 2019/20	6,245	4,583	Red			Data relates to NHSGGC figures – attendances at A&E and MIUs. Attendances increased by 3% from the previous quarter. We continue to work with GPs and care homes to reduce A&E attendances.
DECREASE - A & E Attendances from Care Homes (NHSGGC data)	Q1 2019/20	83	90	Green			A&E attendances from care homes continue to reduce with the figure falling from 108 in Q4 18/19 to 83 in Q1, now within our target.
DECREASE - Emergency Admissions from Care Homes (NHSGGC data)	Q1 2019/20	54	51	Amber			Annual emergency admissions from care homes fell from 69 in Q4 18/19 to 54 in Q1 and we are now close to meeting our target.
DECREASE - Number of Emergency Admissions: Adults (NHSGGC data)	Q1 2019/20	1,723	1,782	Green			Target for 2019/20 set at 7,124 (10% of 2015/16 baseline) approved by Integrated Joint Board. We are ahead of target for Q1 averaging 574 adult admissions per month for Apr-Jun 2019.
DECREASE - Occupied Bed Days (Adult – non-elective) (NHSGGC data)	Q1 2019/20	62,734	62,000	Green			Data from NHSGGC covering Apr-Jun 2019.
DECREASE - No. of A & E Attendances: Adults	Q1 2019/20	5,212	4,584	Red			Target revised for 2019/20 to 18,332 (10% of 2015/16 baseline) approved by Integrated Joint Board. For Q1 average of 1,737 adult attendances per month.

Description	Last Update	Performance Data Current Value	Performance Data Current Target	Performance Data Traffic Light	Performance Data Long Term Trend Arrow	Performance Data Short Term Trend Arrow	Notes & History Latest Note
DECREASE - Number of Emergency Admissions: Adults	2018/19	7,256	8,748	Green			Full year figure for 2018/19 – previously unavailable at end year due to missing data. Target has been revised for 2019/20 to 7,124 (10% of 2015/16 baseline) approved by Integrated Joint Board.

Strategic Priority 7 - People who care for someone are able to exercise choice and control in relation to their caring activities

Description	Last Update	Performance Data Current Value	Performance Data Current Target	Performance Data Traffic Light	Performance Data Long Term Trend Arrow	Performance Data Short Term Trend Arrow	Notes & History Latest Note
INCREASE - People reporting 'quality of life for carers' needs fully met (%)	Q1 2019/20	87%	72%	Green			In Qtr 1 of the total 45 valid responses 39 reported their needs met

8 - Organisational outcomes

8.1 Our customers

Description	Last Update	Performance Data Current Value	Performance Data Current Target	Performance Data Traffic Light	Performance Data Long Term Trend Arrow	Performance Data Short Term Trend Arrow	Notes & History Latest Note
DECREASE - Average time in working days to respond to complaints at stage one (HSCP)	Q1 2019/20	3.9	5	Green			There has been continued improvement in our response times for HSCP complaints with the average response time for frontline complaints below 4 days. This is our best quarterly performance since Q2 2017/18.
DECREASE - Average time in working days to respond to complaints at investigation (stage 2 and esc combined) (HSCP)	Q1 2019/20	17.6	20	Green			Timescales for responding to investigation stage complaints have been improving and we are now responding within 18 days on average (ahead of target). This is our best quarterly performance since Q3 2017/18.
DECREASE - The total number of complaints received - HSCP	Q1 2019/20	42		Data Only			This equates to 0.4 complaints per 1,000 population.
INCREASE - Percentage of HSCP (NHS) complaints received and responded to within timescale (5 working days Frontline; 20 days	Q1 2019/20	100%	70%	Green			There were 3 frontline NHS complaints in Q1. Of these all were responded to within timescale with an average response time of four days. There were no investigations in Q1.

Description	Last Update	Performance Data Current Value	Performance Data Current Target	Performance Data Traffic Light	Performance Data Long Term Trend Arrow	Performance Data Short Term Trend Arrow	Notes & History Latest Note
Investigation)							
INCREASE - Percentage of HSCP (local authority) complaints received and responded to within timescale (5 working days Frontline; 20 days Investigation)	Q1 2019/20	68%	100%	Red			40 HSCP complaints received in total in Q1. Of the 16 frontline complaints received 14 (88%) were within timescale. Of the 24 Investigation complaints received 13 (54%) were responded to on time and 11 (46%) were responded to outwith timescale.

8.3 Our People

Description	Last Update	Performance Data Current Value	Performance Data Current Target	Performance Data Traffic Light	Performance Data Long Term Trend Arrow	Performance Data Short Term Trend Arrow	Notes & History Latest Note
DECREASE - Percentage of days lost to sickness absence for HSCP NHS staff	Q1 2019/20	6.8%	4.0%	Red			For NHS staff our absence remains above target of 4%. However the Q1 figure is 6.8% compared to 8.5% for Q4 18/19 - a reduction of 1.7% overall.
DECREASE - Sickness absence days per employee - HSCP (LA staff)	Q1 2019/20	4.0	2.6	Red			This figure is an improvement from Quarter 4 (was at 4.97) however we are still missing our target. Absence panels continue and HR run an absence report on a weekly basis in order to ensure absence is tracked.
INCREASE - Percentage of staff with an electronic Knowledge and Skills Framework review recorded on TURAS Appraisal System	Q1 2019/20	48%	80%	Red			Performance has been improving for KSF compliance but the figure has plateaued during the summer months. The figure is particularly low for Health and Community Care and Learning Disability staff. Action plans are now in place to increase compliance.
INCREASE - iMatter Response Rate - HSCP	2019/20	67%		Data Only			Decrease in performance from last year (71%). This was anticipated since care at home staff are now included. We expected a lower response from this group due to use of paper copies and the fact they had been asked to complete 3 surveys already this year.
INCREASE - iMatter Employee Engagement Index (EEI) score - HSCP	2019/20	75%		Data Only			The EEI score declined slightly by 3% on the previous year. However, overall results are very positive with the majority of indicators showing green (only 3 were yellow and none red).

Annex 1 – Strategic indicators with no further update at Q1 2019/20

1 - Mental wellbeing is improved among children, young people and families in need

- Percentage of children looked after away from home who experience 3 or more placement moves
- Accommodated children will wait no longer than 6 months for a Looked After Review meeting to make a permanence decision
- % looked after children and care experienced young people accessing mental health supports
- % of children/ young people attending Family Wellbeing Service with improved emotional health at end of programme
- 100% of parents of children who have received an autism diagnosis have opportunity to access Cygnet post diagnostic programme within 12 months of receiving diagnosis.
- % Mothers confirming they have received information about close and loving relationships from staff
- Increase in improved outcomes for children after parent/carer completion of POPP
- Balance of Care for looked after children: % of children being looked after in the Community (LGBF)
- % Child Protection Re-Registrations within 18 months (LGBF)
- % Looked After Children with more than one placement within the last year (Aug-Jul) (LGBF)

2 - People are supported to stop offending and rebuild their lives through new community justice pathways

- Criminal Justice Feedback Survey - Did your Order help you look at how to stop offending?
- % of service users moving from treatment to recovery service.
- % Change in individual drug and alcohol recovery Outcome Score
- % Increase in the number of people being referred through diversion from prosecution.
- % Positive employability and volunteering outcomes for people with convictions.
- People agreed to be at risk of harm and requiring a protection plan have one in place

3 - Wellbeing is improved in our communities that experience shorter life expectancy and poorer health

- Male life expectancy at birth in 15 per cent most deprived communities
- Female life expectancy at birth in 15 per cent most deprived communities
- NI-11: Premature mortality rate per 100,000 persons aged under 75. (European age-standardised mortality rate)
- Number of smokers supported to successfully stop smoking in the 40% most deprived SIMD areas.

4 - People are supported to maintain their independence at home and in their local community.

- NI-18: The number of adults (18+) receiving personal care at home or direct payments for personal care, as a percentage of the total number of adults needing care.
- NI-2: Percentage of adults supported at home who agreed that they are supported to live as independently as possible.
- NI-3: Percentage of adults supported at home who agreed that they had a say in how their help, care, or support was provided
- Percentage of those whose care need has reduced following re-ablement
- Percentage of people aged 65+ who live in housing rather than a care home or hospital
- % of people with an outcome-focused support plan
- Self-directed support spend on adults 18+ as a % of total social work spend on adults 18+ (LGBF)
- Percentage of people aged 65+ with intensive needs receiving care at home (LGBF)

5 - People who experience mental ill-health are supported on their journey to recovery

- Mental health hospital admissions (age standardised rate per 1,000 population)
- Primary Care Mental Health Team (Bridges) wait for referral to 1st appointment offered - within 4 weeks (% patients).
- Primary Care Mental Health Team (Bridges) wait for referral to 1st treatment appointment offered - within 9 weeks (% patients).

6 - Unplanned admissions to hospital are reduced

- Rate of emergency inpatient bed-days for people aged 75 and over per 1,000 population
- Delayed discharges bed days lost to delayed discharge for Adults with Incapacity (AWI)
- NI-12: Emergency admission rate (per 100,000 population) for adults.
- NI-13: Emergency bed day rate (per 100,000) for adults
- NI-14: Number of re-admissions to an acute hospital within 28 days of discharge per 1,000 admissions.
- NI-15: Proportion of last 6 months of life spent at home or in a community setting
- NI-16: Rate per 1,000 population of falls that occur in the population (aged 65 plus) who were admitted as an emergency to hospital.
- NI-19: The number of bed days due to delay discharge that have been recorded for people aged 75+ resident within the Local Authority area, per 1,000 population in the area.
- NI-21: Percentage of people admitted to hospital from home during the year, who are discharged to a care home
- NI-22: Percentage of people who are discharged from hospital within 72 hours of being ready

7 - People who care for someone are able to exercise choice and control in relation to their caring activities

- NI-8: Total combined % carers who feel supported to continue in their caring role.
- Number of young carers identified
- Percentage of identified Young Carers with a Young Carers Statement

8 - Organisational outcomes

- Percentage invoices paid within agreed period (30 days)
- NI-20: Percentage of health and care resource spent on hospital stays where the patient was admitted in an emergency
- NI-23: Expenditure on end of life care, cost in last 6 months per death
- NI-17: Proportion of care services graded 'good' (4) or better in Care Inspectorate inspections
- NI-4: Percentage of adults supported at home who agreed that their health and social care services seemed to be well co-ordinated
- NI-5: Total % of adults receiving any care or support who rated it as excellent or good.
- NI-6: Percentage of people with positive experience of the care provided by their GP Practice.
- NI-7: Percentage of adults supported at home who agree that their services and support had an impact on improving or maintaining their quality of life
- NI-9: Percentage of adults supported at home who agreed they felt safe.
- NI-10: Percentage of staff who say they would recommend their workplace as a good place to work.
- Percentage of HSCP local authority staff with a Performance Review and Development (PRD) plan in place.
- % of teams with an iMatter Action Plan in place

BLANK PAGE



Meeting of East Renfrewshire Integration Joint Board	Performance and Audit Committee
Held on	25 September 2019
Agenda Item	9
Title	IJB Strategic Risk Register Update
<p>Summary</p> <p>This report provides the Performance and Audit Committee with an update on the IJB Strategic Risk Register.</p>	
Presented by	Lesley Bairden, Head of Finance and Resources (Chief Financial Officer)
<p>Action Required</p> <p>Performance and Audit Committee is asked to note and comment on the IJB Strategic Risk Register.</p>	

BLANK PAGE

EAST RENFREWSHIRE INTEGRATION JOINT BOARD**PERFORMANCE AND AUDIT COMMITTEE****25 September 2019****Report by Chief Financial Officer****IJB STRATEGIC RISK REGISTER UPDATE****PURPOSE OF REPORT**

1. This report provides the Performance and Audit Committee with an update on the IJB Strategic Risk Register.

RECOMMENDATION

2. Performance and Audit Committee is asked to note and comment on the IJB Strategic Risk Register.

BACKGROUND

3. In accordance with the agreed monitoring policy this report provides the Performance and Audit Committee with an update on the strategic risk register.
4. Good practice in the area of risk management suggest that a risk register should contain between six to eight of the most significant risk to make it a useful working document.
5. The risk register uses a simple, clear and effective 4 x 4 likelihood and severity risk matrix as shown below.

Risk levels considering Likelihood and Severity

Likelihood	Score								
Certain	4	Low (Green)		Medium (Yellow)		High (Red)		High (Red)	
Likely / probable	3	Low (Green)		Medium (Yellow)		Medium (Yellow)		High (Red)	
Possible/could happen	2	Low (Green)		Low (Green)		Medium (Yellow)		Medium (Yellow)	
Unlikely	1	Low (Green)		Low (Green)		Low (Green)		Low (Green)	
Impact		Minor	1	Significant	2	Serious	3	Major	4

6. In normal circumstances the policy states the tolerance for risk is as follows:

Risk Score	Overall rating
11-16	High/Red/Unacceptable
5-10	Medium/Yellow/Tolerable
1-4	Low/Green/Acceptable

REPORT

7. The Strategic Risk Register is attached as Appendix 1.

New Risks

8. No new risks have been added since the risk register was last reported to Performance and Audit Committee in June.

Updated / Removed Risks

9. Four risks have been updated, a summary of changes is noted below:
- No. 1. Death or significant harm to service user / patient: The Adult Support & Protection (ASP) Improvement Plan has been finalised and was agreed at the APC committee on 16 September 2019. We have recruited to the post of Lead Officer - Policy and Practice Development which is a newly created post and will provide a dedicated training resource for adult services.
 - No 3. Child Protection, Adult Protection and Multi-Agency Public Protection Arrangements: Advice from PVG Scotland to the Council has been that rolling PVG checks are not required, however, the Care Inspectorate advised that registered services should be undertaking this. We have therefore revised the proposed risk control measure from three to five yearly rolling checks and have asked that the corporate HR team build this into their work plan.
 - No. 6 Access to Primary Care: Following the discussion at the last Performance and Audit Committee, the wording of this risk has been updated to more accurately reflect that increased service demand was not exclusively due to high numbers of elderly people in retirement and care homes but was also affected by increasing numbers of young people.
 - No. 11. In-house Care at Home: Additional care at home staff have been recruited and the HSCP will continue to recruit in line with service demand. The new medication policy has been adopted and training will commence in September. Policy implementation will be tested in a small scale pilot. This risk will be updated following receipt of the Care Inspectorate report on the most recent inspection of the service.
10. Risks scores have been reviewed, however no changes have been made to the scores.

Post Mitigation - Red and Significant Risks Exception Report

11. Risks which score between 11-16 and rated as High/Red/Unacceptable and those which the Health and Social Care Partnership Management Team considers significant, following mitigation, should be brought to attention of the Performance and Audit Committee by an 'exception report'.

12. Financial Sustainability remains a high/red risk as last reported. This is still considered red post mitigation reflecting the current economy and unknown Brexit implications. There remains the future year risk that the HSCP could become unsustainable due to one of the following causes:
- Unable to deliver in full the existing savings and achieve new savings to deliver a balanced budget
 - Unable to influence future funding to recognise demographic & other pressures, or realise future efficiencies & savings
 - Implications from hosted services
 - Prescribing volatility
13. The In House Care at Home Service and Failure of a Provider risks are scored at 9 after mitigation is taken into account. However these are considered significant given the potential impact on service delivery.

CONCLUSIONS

14. The IJB Strategic Risk register has been reviewed and changes made to four risks.

RECOMMENDATIONS

15. Performance and Audit Committee is asked to note and comment on the IJB Strategic Risk Register.

REPORT AUTHOR AND PERSON TO CONTACT

Lesley Bairden, Head of Finance and Resources (Chief Financial Officer)

lesley.bairden@eastrenfrewshire.gov.uk

0141 451 0746

September 2019

Chief Officer, IJB: Julie Murray

BACKGROUND PAPERS

PAC Paper: June 2019: IJB Strategic Risk Register Update

<https://www.eastrenfrewshire.gov.uk/CHttpHandler.ashx?id=24703&p=0>

PAC Paper: March 2019: IJB Strategic Risk Register Update

<https://www.eastrenfrewshire.gov.uk/CHttpHandler.ashx?id=24115&p=0>

PAC Paper: November 2018 IJB Strategic Risk Register Update

<https://www.eastrenfrewshire.gov.uk/CHttpHandler.ashx?id=23475&p=0>

IJB Paper: August 2016: Risk Management Policy and Strategic Risk Register

<http://www.eastrenfrewshire.gov.uk/CHttpHandler.ashx?id=17355&p=0>

BLANK PAGE

EAST RENFREWSHIRE INTEGRATION JOINT BOARD

STRATEGIC RISK REGISTER

DATE ORIGINATED: 09.11.2015

DATE REVIEWED: 17.09.2019

ERC Ref	No.	Risk Status S/C/N (Same, Changed New)	Risk (Threat/Opportunity to achievement of business objective)- include the consequence of the risk in this description)	Risk Control Measures currently in Place (need to be SMART e.g. detail of what type of training took place with dates in evidence column)	Assessment of Risk (As it is now)			Proposed Risk Control Measures (should be SMART with detail included)	Completion date for proposed Risk Control Measure	Assessment of Residual Risk (with proposed control measures implemented)			Risk Owner
					Risk Score	Overall rating				Likelihood (probability) L	Impact (Severity) I	Risk Score (LxI)	
	1	S	Death or significant harm to service user / patient										
			<p>Risk of death or significant harm to a service user/patient as a result of HSCP actions.</p> <p>Consequences could include:</p> <ul style="list-style-type: none"> - loss of life or long term damage and impact on service user & family - possible perception of failure of care - poor workforce morale - reputational damage 	<p>Quality assurance of adult support and protection has identified a number of issues for improvement.</p> <p>Improvement Plan in place and new pathway to manage ASP referrals and investigations implemented.</p> <p>Refresher training for Council Officers and frontline managers delivered.</p> <p>Risk assessments for service users are carried out by staff as and when required</p> <p>Statutory inspection reports</p> <p>Senior Manager ASP responsibility for chairing Case Conferences and leading on self-evaluation and audit activity. Some refresher</p>			12	<p>Introduction of new practice standards and new programme of single agency audit commencing September 2019</p>	31/09/2019			8	<p>Head of Adult Health and Social Care Localities / Chief Social Work Officer</p>
					3	4				2	4		

			<p>training delivered</p> <p>Council officer and managers forums established</p> <p>Risk assessment is now an integral part of assessment process</p> <p>Appointment of new Chair of APC (Apr'19)</p> <p>Priorities and proposal for new structure and increased frequency of APC meetings agreed (06.06.19)</p> <p>ASP improvement plan – finalised at APC committee 16.7.19</p> <p>Dedicated trainer for adult services appointed (05.09.2019)</p>									
4.4	2	S	Historical Sexual Abuse Enquiry									
			<p>Adult Protection Committee and Child Protection Committee have been sighted on these issues.</p> <p>Clear process for managing historical cases and protocol in place with Legal Services.</p> <p>Risk although low may be difficult to determine due to historical nature</p>	2	4	8	<p>Identified leads in HSCP will work alongside legal services to manage the progress of any allegations/claims made</p> <p>Public Protection sub group to quality assure training and awareness raising for staff</p>	<p>Ongoing</p> <p>31/03/2020</p>	1	4	4	<p>Chief Social Work Officer</p>

4.1	3	S	Child Protection, Adult protection and Multi-Agency Public Protection Arrangements											
<p>Inconsistent assessment and application of the public protection agenda (Child Protection, Adult protection and Multi-Agency Public Protection Arrangements- MAPPAs) may result in risk of children or vulnerable adults being harmed and lead to non-compliance with legislative standards.</p>			<p>The operation of Child Protection, Adult Protection committees and MAPPAs meetings to deal with the strategic and practice issues.</p>	2	4	8	<p>Introduction of new practice standards and new programme of single agency audit commencing September 2019</p>	31/09/2019	1	4	4	Chief Social Work Officer		
<p>Senior Manager ASP responsibility for chairing Case Conferences and leading on self-evaluation and audit activity.</p>			<p>Council officer and managers forums established</p>				<p>Engagement with 4 social workers not yet vetted to NPPV status</p>	31/12/2019						
<p>Risk assessment is an integral part of assessment process</p>			<p>Risk assessment is an integral part of assessment process</p>				<p>Introduce rolling review of PVGs on 5 yearly basis</p>	31/03/2020						
<p>New Chair of APC appointed Apr '19</p>			<p>New Chair of APC appointed Apr '19</p>				<p>PVG scheme in place</p>	<p>Partnership working at advanced stage with Police Scotland, NHS, Scottish Prison Service and other statutory partners.</p>					<p>The extension of MAPPAs to include Category 3 violent offenders - Risk of Serious Harm training completed.</p>	<p>Job descriptions for statutory criminal justice social work posts in East Renfrewshire have been amended & candidates are required to be eligible to achieve NPPV level 2 vetting status.</p>

				<p>'Safe Together' model implemented.</p> <p>All front line managers provided with refresher training concerning statutory compliance.</p> <p>Multi Agency Risk Assessment Conference (MARAC) fully operational (05.03.2019)</p> <p>ASP priorities for 2019/20 improvement and proposal for new structure and increased frequency of APC meetings agreed (06.06.19)</p>								
--	--	--	--	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--	--	--	--	--	--	--	--

4	S	Financial Sustainability										
		<p>Risk of being unsustainable due to one of the following causes:</p> <p>1) Unable to deliver in full the existing savings and achieve new savings to deliver a balanced budget. The timing of the NHS GGC budget contribution continues to be a challenge</p> <p>2) Unable to influence future funding to recognise demographic and other pressures, or realise future efficiencies & savings</p> <p>3) Implications of cessation of prescribing risk share and changes from hosted services funding structure.</p> <p>4) Financial Impacts relating to Brexit and other wider economic issues.</p>	<p>1) The CFO provides regular reporting to IJB and savings progress reviewed as part of budget seminars and revenue monitoring report as well as periodically at DMT</p> <p>2) The regular budget updates and medium term financial plan set out funding pressures and scenarios are taken to IJB seminars. The HSCP is involved in the budget setting process with each of our partners. We need to develop a process for a more proactive approach with earlier discussions on financial planning.</p> <p>3) A local network and CFO section meeting is a discussion and decision making forum for wider issues impacting on partnerships, with these two areas included. The previous NHSGGC prescribing risk share ceased in March 2018 and prescribing volatility impacts directly on the HSCP revenue budget.</p> <p>4) This is a national risk and is reported in detail elsewhere. The financial risks will relate to staffing, purchased of care, drugs, equipment, consumables and food.</p>	3	4	12	<p>1) The CFO will provide advice on corrective action required in year to manage the budget. The use of reserves supports longer term change and allows for phased implementation of savings delivery and management of prescribing volatility.</p> <p>2) Continue partner engagement with budget setting and financial plan and processes.</p> <p>3) An earmarked reserve allows us to deal with prescribing volatility in any one year. Hosted arrangements will be reviewed to coincide with review of the integration schemes during 2020 and preparatory work has commenced.</p> <p>4) The potential Brexit implications and contingency planning is taking place at both national and local levels.</p>	<p>Ongoing (with 2019 /20 budget agreed).</p> <p>Ongoing – regular meetings</p> <p>Ongoing</p>	3	4	12	Chief Financial Officer

5.2	5	S	Failure of a Provider									
			<p>Risk of failure of a key care provider, including care home, care at home and other care providers due to financial instability or significant care concerns. Consequences could include:</p> <ul style="list-style-type: none"> - disruption to service delivery - requirement to implement contingency plans - impact on individuals and families with potential disruption to care arrangements 	<p>We work with the Care Inspectorate to ensure robust action plans for improvement are in place</p> <p>Work with Scottish Government, Scotland Excel and Cosla on care home market.</p> <p>Consideration of balance of market share across external market providers</p> <p>Company Credit Health Checks undertaken</p>	4	3	12	<p>Implement learning from independent review of recent provider failure, due to be completed summer 2019.</p> <p>Work with providers at risk to agree phased and managed approach to closure if required</p>	31/12/2019	Ongoing	3	3
6	C	Access to Primary Care										
		<p>Insufficient primary care practice list capacity due to increased population size. This is a result of new housing developments which include family housing, increasing the number of children in the area and specific developments for older people.</p> <p>Inability to recruit/cover posts resulting in poor access for local residents.</p>	<p>Primary Care Improvement Plan agreed by IJB</p> <p>Local practices are supported to manage list size by encouraging patients from out with the practice's contracted catchment area to register with a GP more local to them.</p> <p>Work with practices to maximise premises capacity to enable them to extend primary care team</p> <p>Back scanning completed for practices to ensure all East Renfrewshire practices notes are scanned to free up space.</p>	3	3	9	<p>Work with planning department to consider impact and mitigation for new housing developments</p> <p>Meet regularly with GPs in practices most likely to be impacted by rise in new registrations due to new housing development to agree short term measures and discuss and longer term options to increase capacity.</p> <p>Within clusters explore space availability within practices to support the extending Primary Care team as outlined in the PCIP.</p> <p>Scoping paper to be developed for IJB</p>	Ongoing	Ongoing	Ongoing	3	2

5.1	7	S	Increase in Older population																	
			Increase in older people, particularly very old, due to demographic changes leads to an over demand on certain services and failure to meet legislation, overspend and negative publicity.	Scottish Government providing additional resources for Health and Social Care with emphasis on managing demographic pressures.																
				Outcome Delivery Plan (ODP) and HSCP strategic plans build on foundation of wider council prevention and early intervention strategy for older people.																
				Agile working for HSCP employees improved efficiency.		4	4	16												
				Annual budget setting takes account of demographic projections.																
				Partnership with various professional agencies and community/public to support hospital admission avoidance and safe hospital discharge for older people.																
				Rollout of Talking Points commenced May 19																
									Next phase of HSCP Fit for the Future redesign to focus on rehabilitation and frailty pathways	31/12/2019										
									Further rollout of Talking Points as part of Community Led Support programme diverting people to community resources and building own assets.	Ongoing										
									Continue Council funding for demographic cost pressures	Ongoing										
											4	2	8							Chief Officer HSCP

	8	S	Workforce Planning and Change									
			Lack of appropriately skilled workforce due to the combination of loss of experience from retirement of ageing workforce and changes to registration and job requirements leads to a reduction in service levels and inability to deliver redesigns in line with Strategic Plan requirements. Use of temporary contracts as mitigation for financial uncertainty impacts on ability to recruit and retain staff.	Reduction in the number of temporary contracts for social work and nursing staff as part of Fit for the Future redesign.	3	4	12	Workforce Plan for 2019-21 to be developed	30/09/2019			
							Active review of all request to recruit by HSCP senior management team	Ongoing				
							Improve partnership workforce planning working with providers in line with developing strategic commissioning plan	30/09/2019	2	4	8	Chief Officer HSCP
							Reduce the remaining temporary contracts in social care and business support	31/03/2020				
2.2	10	S	Increase in children & adults with additional support needs									
			Increase in the number of children and adults with additional support requirements leading to a rise in demand on services.	Analysis of demographic changes. Increased financial forecasting.				Review transition arrangements - child to adult services	31/10/2019			
							Completion of Fit for the Future Phase 2	31/03/2020				
							Council continues to contribute to funding to demographic cost pressures	Ongoing	4	2	8	Chief Officer HSCP
							Children's Services redesign implemented					
							Inclusive Support redesign completed and implemented (April 2019)		4	3	12	
							Education Resource Group to manage specialist resources and admission to specialist provision					
							Phase 1 Fit for the Future Redesign implemented					

5	11	S	In-House Care at Home Service													
			Significant pressures and lack of service capacity (vacancies and absence) impacts on service delivery and quality standards Impact on service users and carers Reputational risk to HSCP and Council	Movement of some packages to external providers Increased resource to support robust absence management We have recruited additional care at home staff and New medication policy adopted				Improvement Task Force overseeing implementation of improvement activity supported by additional funding including revised care planning and risk documentation The HSCP will continue to recruit in line with service demands Ensure all Care at Home clients have an up to date review Commence medication management training Start testing of policy implementation in small scale pilot	30/9/2019 Ongoing 30/11/2019 30/09/2019 30/9/2019							Chief Officer HSCP
					4	4	16			3	3	9				

BLANK PAGE



Meeting of East Renfrewshire Health and Social Care Partnership	Performance and Audit Committee
Held on	25 September 2019
Agenda Item	10
Title	Contracts and Exceptions Update to June 2019
<p>Summary</p> <p>This report provides Committee with information about direct spend through the Health and Social Care Partnership's two framework contracts. The report also provides the Committee with information in relation to exceptions to East Renfrewshire Council Contract Standing Orders along with the business reasons for such exceptions.</p>	
Presented by	Lesley Bairden, Head of Finance and Resources
<p>Action Required</p> <p>The Performance and Audit Committee are asked to note and comment on the contents of the report.</p>	

BLANK PAGE

EAST RENFREWSHIRE HEALTH AND SOCIAL CARE PARTNERSHIP

PERFORMANCE AND AUDIT COMMITTEE

25 September 2019

Report by Julie Murray, Chief Officer

CONTRACTS AND EXCEPTIONS UPDATE TO JUNE 2019

PURPOSE OF REPORT

1. The report provides Performance and Audit Committee with information about direct spend through the HSCP framework contracts; grant activities; non-framework spend together with spend activity on national framework agreements.
2. The report also provides the Committee with information in relation to exceptions to ERC Contract Standing Orders along with the business reasons for such exceptions.

RECOMMENDATION

3. Performance and Audit Committee members are asked to note and comment on the contents of the report.

BACKGROUND

4. In October 2016 the HSCP approved a framework of providers designed to be compliant with the Scottish Government's living wage policy and to provide greater choice and options to support individual's choice with social care support.
5. A replacement framework for Care and Support is currently being prepared by the national procurement agency Scotland Excel. This will be in place from late February 2020.
6. Care at home providers: we have 4 providers with an interim agreement to cover the period from June 2019 when the current contract expired. This will provide purchasing certainty until the new national framework is confirmed in 2020.
7. It was agreed with the Chief Officer and her management team that wherever reasonably practicable we should only use framework providers to arrange care and support under option 3 of the Social Care (Self-directed Support) (Scotland) Act 2012.
8. All exceptions to this are to be agreed with the relevant operational Head of Service and Chief Financial Officer, with operational arrangements to be agreed to ensure a workable approach across the operational functions of the HSCP.
9. Exceptions can occur for a range of reasons including provider capacity requiring recruitment processes to be taken forward; provider contract compliance and other quality of care related matters. Often these arrangements can be of short duration and care arrangements can be moved to a suitable framework provider as soon as possible.

10. This report also covers those historical arrangements where services were commissioned around particular needs some time ago. The HSCP has a proactive plan to review and ensure appropriate contractual arrangements are implemented in due course. Arrangements might include competitive tendering or direct negotiation with current service providers (see below).
11. The report shows spend for purchased care for the 12 months from June 2018 to June 2019.

REPORT

12. **Care at Home** – £2.378 million total expenditure with £2.281 million through framework providers and £0.097 million off framework.
13. **Care and Support** – £10.328 million total expenditure with £6.480 million through framework providers and £3.848 million off framework.
14. **Nursing and Residential Care Contracts** – the total expenditure for both nursing and residential placements was £10.867 million
15. **Quick Quotes** – The value of quick quotes in the reporting period in question was zero. A quick quote value is between £10,000 and £49,999.
16. **Direct Awards** – The HSCP received approval to make 2 direct awards during the reporting period in question, working through the corporate procurement unit and legal services jointly. Both awards were in the area of children's services and reflect the specialist nature of the purchasing activity.
17. **Grant Payments** - the HSCP issued a number of grant payments to a number of organisations totalling £1.047 million.
18. **Scotland Excel Frameworks** – the HSCP makes use of a range of nationally procured social care frameworks and we use:
 - a. Secure Care
 - b. Fostering & Continuing Care Services
 - c. Children's residential care and education including short breaks
 - d. Agency Workers (Social Care)

CONCLUSIONS

19. Exceptions to contract standing orders within this report are taken from a snap shot of commitments at the end of the financial year showing costs outside of a contractual framework. We will explore reasonable procurement options within the light touch procurement regime, including where direct awards can be made. New social care frameworks should begin to mitigate the non-framework activity as they develop over 2020. Workforce shortages, notably within care at home services continue to present delivery challenges.

RECOMMENDATIONS

20. Performance and Audit Committee members are asked to note and comment on the contents of the report.

REPORT AUTHOR AND PERSON TO CONTACT

Lesley Bairden, Head of Finance and Resources (Chief Financial Officer)

Lesley.Bairden@eastrenfrewshire.gov.uk

18 September 2019

Chief Officer, IJB: Julie Murray

0141 451 0746

BACKGROUND PAPERS

PAC Paper 27 June 2019: Contracts and Exceptions Update

<https://www.eastrenfrewshire.gov.uk/CHttpHandler.ashx?id=22722&p=0>

BLANK PAGE