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| Meeting of East Renfrewshire Health and Social Care Partnership | Integration Joint Board |
| 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 meeting of that committee, held immediately before this meeting.</p> | |
| Presented by | Lesley Bairden, Head of Finance and Resources (Chief Financial Officer) |
| <p>Action Required</p> <p>The Integration Joint Board is requested to:</p> <ul style="list-style-type: none"> ▪ Approve the audited annual report and accounts as remitted from the Performance and Audit Committee. ▪ Authorise the Chair, Chief Officer and Chief Financial Officer to accept and sign the annual report and accounts on behalf of the Integration Joint Board. | |

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EAST RENFREWSHIRE INTEGRATION JOINT BOARD

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 Integration Joint Board is requested to:
 - Approve the audited annual report and accounts as remitted from the Performance and Audit Committee.
 - Authorise the Chair, Chief Officer and Chief Financial Officer to accept and sign the annual report and accounts on behalf of the Integration Joint Board.

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 report progress against the 5 action plan items to the Performance and Audit 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 Integration Joint Board is requested to:
 - Approve the audited annual report and accounts as remitted from the Performance and Audit Committee.
 - Authorise the Chair, Chief Officer and Chief Financial Officer to accept and sign the annual report and accounts on behalf of the Integration Joint Board.

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

IJB Paper 26 June 2019: Unaudited Annual Report and Accounts 2018/19
<https://www.eastrenfrewshire.gov.uk/CHttpHandler.ashx?id=24690&p=0>

IJB Paper 26 September 2018: Annual Report and Accounts 2017/18
<https://www.eastrenfrewshire.gov.uk/CHttpHandler.ashx?id=23119&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



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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.

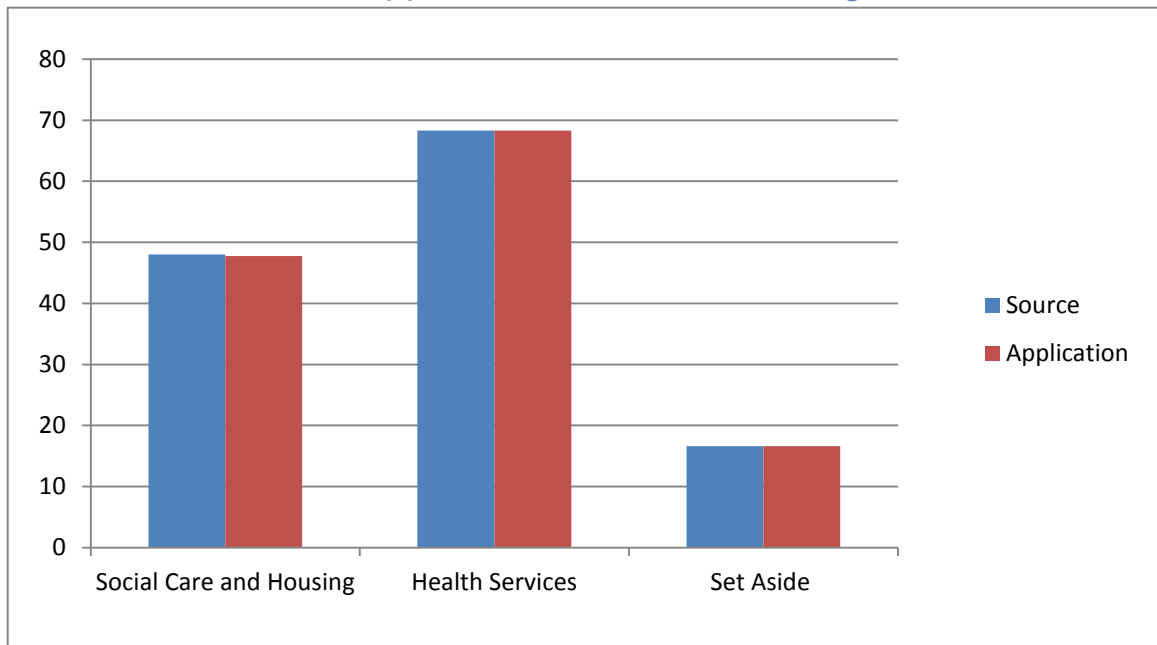
The main variances to the budget were:

- 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 31st March 2018 | Remuneration Band | Number of Employees 31st 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

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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

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