



Meeting of East Renfrewshire Health and Social Care Partnership	Performance and Audit Committee
Held on	26 September 2018
Agenda Item	8
Title	Annual Report and Accounts 2017/18
<p>Summary</p> <p>This report provides an overview of the audited annual report and accounts for the IJB covering the period 1 April 2017 to 31 March 2018.</p> <p>The Chair of the Performance and Audit Committee will advise the Integration Joint Board of any audit findings following the remit of approval of the annual report and accounts to the Integration Joint Board, following on from this meeting.</p>	
Presented by	Lesley Bairden, Head of Finance and Resources (Chief Financial Officer)
<p>Action Required</p> <p>The Performance and Audit Committee is requested to agree the audited annual report and accounts be remitted to the Integration Joint Board for approval.</p>	

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EAST RENFREWSHIRE INTEGRATION JOINT BOARD

PERFORMANCE AND AUDIT COMMITTEE

26 September 2018

Report by Chief Financial Officer

ANNUAL REPORT AND ACCOUNTS 2017/18

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 2017 to 31 March 2018. The Chair of the Performance and Audit Committee will advise the IJB of any audit findings.

RECOMMENDATION

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

BACKGROUND

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

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

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

6. This is the third 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. The content of this guidance has been adhered to in the production of the annual report and accounts. However we have maintained our own presentational style, reflecting continuity in our annual report and accounts. In recognition of this guidance the accounting treatment for our hosted service is as principal and not agent and 2016/17 has been restated.

8. Similarly the Audit Scotland good practice note on improving IJB accounts has been reviewed 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 27 June 2018.

10. The annual report and accounts are included at Appendix 1 and copies of the document, following approval, will be signed on 26 September 2018.

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 2017/18 and the proposed Audit Scotland Annual Report and audit certificate (ISA260) 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
- The accounts were properly prepared with a good standard of working papers
- The IJB has effective budgetary processes in place providing timely and accurate financial information
- The future financial pressures and service impact are recognised based on our current assumed partner contributions
- The IJB has appropriate governance and transparency
- The performance reporting is being reviewed to reflect the new strategic plan and the workforce plan will reflect the new structure.

15. As with prior years I will bring progress against the 4 action plan items to this committee.

16. There are no changes to the figures as reported in the unaudited accounts on 27 June 2018.

17. We have made some minor changes to wording, presentational change to the reserves statement and the annual report and accounts includes performance information as previously advised.

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

- We used £0.177 million from reserves to balance our 2017/18 revenue position and this was £0.777 million less than the maximum we would have required. As reported during the year we have benefited from operational underspends and at the end of the year we gained from support cost recharges and from property costs.
- We used a total of £0.767 million of reserves as we planned to during the year.
- We added a modest £0.065 million to the earmarked reserve for transitional funding for the ongoing Specialist Learning Disability Service long stay beds redesign.

- We have invested in new reserves as agreed during the year by the IJB; prescribing £0.250 million, Bonnyton House £0.450 million and we have reinstated the in-year contingency to £0.500 million.

19. The Chief Financial Officer would like to extend thanks to the HSCP Finance team 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.

CONCLUSIONS

20. 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 27 June 2018.

RECOMMENDATIONS

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

REPORT AUTHOR AND PERSON TO CONTACT

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18 September 2018

Chief Officer, IJB: Julie Murray

BACKGROUND PAPERS

PAC Paper 27.06.2018 – Annual Report and Accounts 2017/18
<http://www.eastrenfrewshire.gov.uk/CHttpHandler.ashx?id=22719&p=0>

PAC Paper 27.09.2017 - Annual Report and Accounts 2016/17
<http://www.eastrenfrewshire.gov.uk/CHttpHandler.ashx?id=20987&p=0>

Annual Report and Accounts 2016/17
<https://www.eastrenfrewshire.gov.uk/CHttpHandler.ashx?id=20521&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

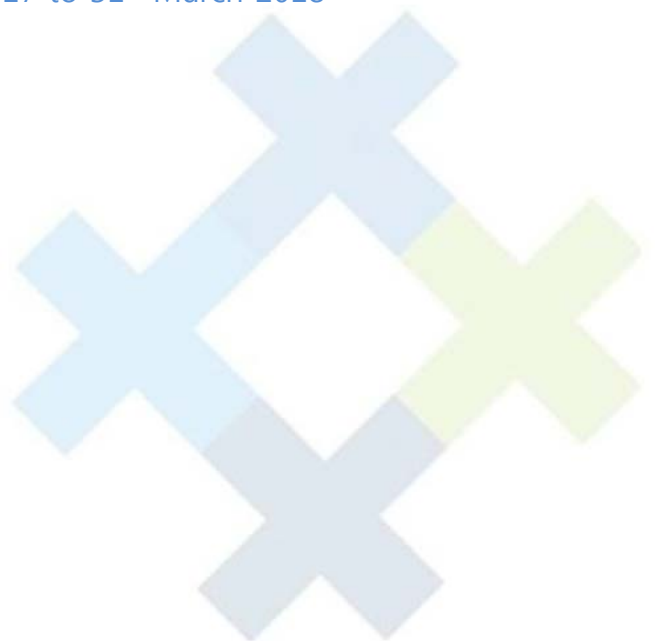
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East Renfrewshire Health and Social Care Partnership Integration Joint Board

Annual Report and Accounts 2017/18

Covering the period 1st April 2017 to 31st March 2018



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East Renfrewshire is situated to the south of Glasgow. It covers an area of 67 square miles (174 square km). The north of the area comprises the urban areas of Giffnock, Newton Mearns, Clarkston, Thornliebank and Barrhead. There is also an extensive hinterland to the south, within which the villages of Uplawmoor, Neilston, Waterfoot and Eaglesham are located.

On 30 June 2017, the population of East Renfrewshire was 94,760. This is an increase of 1.0% from 93,810 in 2016. Over the same period, the population of Scotland increased by 0.4%.

In terms of overall size, the 45 to 64 age group was the largest in 2017, with a population of 26,992. In contrast, the 75 and over age group was the smallest, with a population of 8,934. In 2017, more females than males lived in East Renfrewshire in 4 out of 6 age groups.

Between 1997 and 2017, the 25 to 44 age group saw the largest percentage decrease (-21.5%). The 75 and over age group saw the largest percentage increase (+56.1%).

Between 2016 and 2026, the population of East Renfrewshire is projected to increase from 93,810 to 100,958. This is an increase of 7.6%, v
3.2% for Scotland as a whole.



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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 2015-18 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”.

We will achieve this by:

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

The ‘integration touch points’ will be used to guide everything we do as a partnership.

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

Review of Strategic Plan 2015-18

With our Strategic Planning Group we have reviewed our first strategic plan, considering the progress we have made towards the outcomes and strategic priorities we set for ourselves. We came to the following conclusions:

Children and young people

- Good progress has been made in prevention and early intervention through Early Years and Parenting strategic work and should continue.
- There has been a good start in learning from our Care Experienced young people and the IJB will continue to support the Corporate Parenting Plan.
- The shift in the balance of care for children and young people, timely decision making and move to permanent destinations should be maintained to make sure that we get it right for every child.
- There is an emerging strategic priority of mental wellbeing for children and young people that should be reflected in the new strategic plan.

Community Justice

- Performance under the current Strategic Plan has focused on effective interventions to manage risk.
- East Renfrewshire has a new Community Justice Outcome Improvement Plan with a new focus on preventing and reducing offending and supporting people who have committed offences to reintegrate into the community and realise their full potential.
- Our revised strategic priority should reflect the Community Justice focus and performance measures need to be amended to reflect the HSCP service contribution.

Health Improvement and Inequalities

- Overall East Renfrewshire performs well for healthy life expectancy and on a number of population health targets.
- However over the course of the plan we have not seen the same improvement in reducing health inequalities.
- The strategic priority for the next plan must reflect our commitment as a community planning partner to locality planning with our communities that experience shorter life expectancy and poorer health.

Keeping people at home

- HSCP activity to reduce delayed discharges and reduce lengths of stay by reaching into hospitals and getting people back to East Renfrewshire has been very successful.
- Whilst the HSCP started from a positive baseline, we have not reduced unplanned care in the way that we predicted.
- For us unplanned use of hospital care is a sign that as a health and care system we are not supporting people as well as we could and that we may be missing opportunities to intervene and plan earlier. A strategic priority moving forward must be working with our colleagues in primary and acute care to reduce unplanned admissions to hospital, including at end of life.

Living good lives independently

- The Strategic Planning Group has noted evidence of an increase in older people moving into care homes (although this should be seen alongside a reduction in use of NHS continuing care and in use of palliative care beds).
- Good progress has been made in learning disability redesign to support people to live as independently as possible, this needs to continue and inform our work with older people.
- A strategic priority moving forward should be working together with older people to maintain their independence at home and in their local community - this should include a focus on self-directed support and alternatives to residential care.

Carers

- Over the course of the current Strategic Plan the focus has been developing plans to implement the new Carers legislation and the new detailed national carer's performance framework.
- The Care Collective has taken a wider reaching and inclusive approach to developing a Carers strategy and service redesign.
- Whilst understanding the need to support carer's health and wellbeing, the Care Collective work has identified choice and control as the key strategic priority for carers.

Mental Health and Recovery

- Mental health and recovery is not a specific priority in the current plan, although there are a number of actions in the plan that relate to recovery.
- The Performance information for mental health reported is limited and focuses primarily on waiting times.

- In light of the national strategy and NHSGGC work it is suggested that mental health and recovery becomes a strategic priority in the new plan.

The IJB continues to build on the long standing delivery of integrated health and care services within East Renfrewshire, previously achieved through our Community Health and Care Partnership between East Renfrewshire Council and NHS Greater Glasgow and Clyde.

In addition to our two main partners the IJB recognises the continued and valued partnership working with 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 2017/18

We have completed our third 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 recognised early on that the scale of future financial challenges meant that we could not achieve financial sustainability by doing more of the same. In 2016/17 the IJB invested funding to allow the delivery of our Fit for the Future change programme on a phased basis; we are progressing with our radical review of the way we deliver our services. At the start of the year we had planned to use a maximum of £0.954 million to bridge our 2017/18 savings and we have only needed to use £0.177 million due to operational gains.

We have had a full year of operation from our headquarters at the Eastwood Health and Care Centre and completed upgrade works to Barrhead Health and Care Centre. This gives us a modern and fit for purpose base in our two main locations and continues to change the way in which health and social care is delivered to the people of East Renfrewshire. Through co-location and collaboration GPs, social workers, nurses and rehabilitation staff work together with voluntary organisations and community groups, in welcoming and inclusive buildings to improve the health and wellbeing of local people.

We have secured the future of Bonnyton House in Busby and are developing this residential care setting to include dedicated beds for intensive rehabilitation and end of life care. We are exploring how we can develop community services from this location and intend to create a centre of excellence.

Within the Learning Disability hosted service we have closed Waterloo Close and released resource transfer to fund community based placements with our neighbouring HSCPs. The redesign of the remaining long stay unit as well as our shorter stay assessment and treatment units is ongoing.

The Sir Harry Burns Centre was opened during the year in Auchenback and provides a community hub where parents and local people are able to access multiple services supporting children, families and communities to secure better outcomes for themselves.

We have focused on improving young people's mental health and wellbeing and are currently piloting a Family Wellbeing Service. This test of change commenced in September 2017 and

supports children and young people with a range of significant mental and emotional wellbeing concerns.

We have continued to develop partnerships with care experienced young people and the Champions Board with the aim of improving the life chances of our care experienced young people in the wider community .

We continue to have the lowest number of days people aged 75+ spend in hospital when ready to be discharged in Scotland. We offer a range of ways of supporting people back home through our safe and supported unscheduled care programme.

We continue to work with service providers to ensure market choice and sustainability. We have funded the Living Wage and other Fair Work Practices using the funding from the Scottish Government for this purpose.

During the year we have made progress on developing a new way of calculating Individual Budgets for adult care packages. The “Getting the Right Support” individual budget calculator will be used for a modest one off intervention through to a complex care package. This removes the barriers and potential inequity of traditional eligibility criteria and recognises the importance of prevention. We are currently testing and refining the calculator.

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

We have prepared for the implementation of the Carers Act and in partnership with the Care Collective have developed a Carers Strategy. The strands of activity are:

- Establishing a local leadership collaborative.
- An improved carer’s information service.
- Improved access to carer support in the community.
- Creative short breaks.
- Self-assessment and personal planning.
- Support for young carers.
- Volunteer development and peer support.

2017-18 Performance Achievements

In addition to our quarterly reports, the Annual Performance Report was approved by the IJB on 27 June 2018 and made publically available on our website in line with statutory guidance. In this report, we review our performance for 2017/18 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	2017/18	2016/17
Children and Young People		
Percentage of children meeting developmental milestones at 27-30 month child health review	84%	82%
Percentage of children exclusively breastfed at 6 - 8 weeks in areas of greatest inequality	27.5%	16.8%
Percentage of children being looked after in the community	92.7%	91.5%
Percentage of children looked after away from home who experience 3 or more placement moves	1.2%	7.1%
Health Improvement		
Citizens reporting taking part in physical activity	91%	85%
Living independently		
Percentage of adults with intensive care needs receiving care at home	63% (2016/17)	58% (2015/16)
Percentage of people reporting 'living where you want to live' needs fully met at review.	87%	78%
Unscheduled care		
Emergency admission rate (per 100,000 population) for adults	9,791	11,408
Emergency bed day rate (per 100,000) for adults	104,990	117,592
Re-admission to hospital within 28 days (per 1,000 population)	72	82
Number of days people spend in hospital when they are ready to be discharged (per 1,000 population) (75+)	119	209
Supporting carers		
Percentage of people reporting 'quality of life for carers' needs fully met at review	80%	69.8%
Adult support and protection		
Percentage average change in women's life outcomes - domestic abuse risk reduced	77%	62%
People reporting 'feeling safe' needs met (%)	91%	85%

2017-18 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 revised Strategic Plan.

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

Children and Young People

- Increase the percentage of children in kinship care remaining in their community.
- Reduce the proportion of child protection re-registrations within 12 months of de-registration.

Unscheduled care: Working in partnership with NHS acute services:

- Reduce the number of unnecessary/inappropriate A&E attendances and emergency hospital admissions.
- Continue to reduce the numbers of people unnecessarily waiting more than 72 hours to be discharged from hospital.

Living independently

- Increase the proportion of last 6 months of life spent at home or in a community setting.
- Increase the percentage of people aged 65+ who live in housing rather than a care home or hospital.

Mental Health & Addiction services

- Reduce waiting times for access to psychological therapies and appropriate treatment supporting recovery from addiction.

Criminal Justice

- Increase the percentage of offenders successfully completing community based sentences whose risk has reduced.

Funding 2017/18

The net total health and social care funding from our partners for financial year 2017/18 was £127.866 million:

	£ Million
NHS Greater Glasgow and Clyde Primary Care	67.878
NHS Greater Glasgow and Clyde Large Hospital Services	14.561
East Renfrewshire Council Social Care	45.174
East Renfrewshire Council Housing Aids and Adaptations	0.253
Total Net Funding	127.866

The Comprehensive Income and Expenditure Statement (CIES) (page 33) shows the IJB gross income as £149.444 million, as this presentation shows service income, grant funding, resource transfer and social care fund monies which are included within the net funding from our partners. The purpose of the CIES presentation is to show the gross cost of the services we provide.

The funding for the large hospital services represents East Renfrewshire's population's use of unscheduled care in hospital (acute) services. This is currently a notional allocation and work continues to develop a model that will better reflect activity, use and cost.

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 2017/18

The annual report and accounts for the IJB covers the period 1st April 2017 to 31st March 2018, with comparable figures shown for 2016/17.

In addition to the net funding of £127.866 million received from our partners and other income we 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 2017/18.

The budgets and outturns for the operational services as reported during the year to the IJB are summarised:

Service	Budget	Spend	Variance (Over) / Under	Variance (Over) / Under
	£ Million	£ Million	£ Million	%
Children & Families	9.788	9.705	0.083	0.85%
Older Peoples Services	27.320	27.167	0.153	0.56%
Physical / Sensory Disability	4.499	4.666	(0.167)	(3.71%)
Learning Disability – Community	12.502	12.716	(0.214)	(1.71%)
Learning Disability – Inpatients	8.194	8.194	-	0.00%
Mental Health	4.059	3.650	0.409	10.08%
Addictions / Substance Misuse	1.439	1.421	0.018	1.25%
Family Health Services	22.231	22.231	-	-
Prescribing	16.326	16.326	-	-
Criminal Justice	0.022	0.011	0.011	50.00%
Planning & Health Improvement	0.350	0.349	0.001	0.29%
Management & Administration	7.276	6.793	0.483	6.64%
Planned Contribution from Reserves	(0.954)	(0.177)	(0.777)	(81.45%)
Net Expenditure Health and Social Care	113.052	113.052	-	(0.00%)
Housing	0.253	0.253	-	0.00%
Set Aside for Large Hospital Services	14.561	14.561	-	0.00%
Total Integration Joint Board	127.866	127.866	-	0.00%

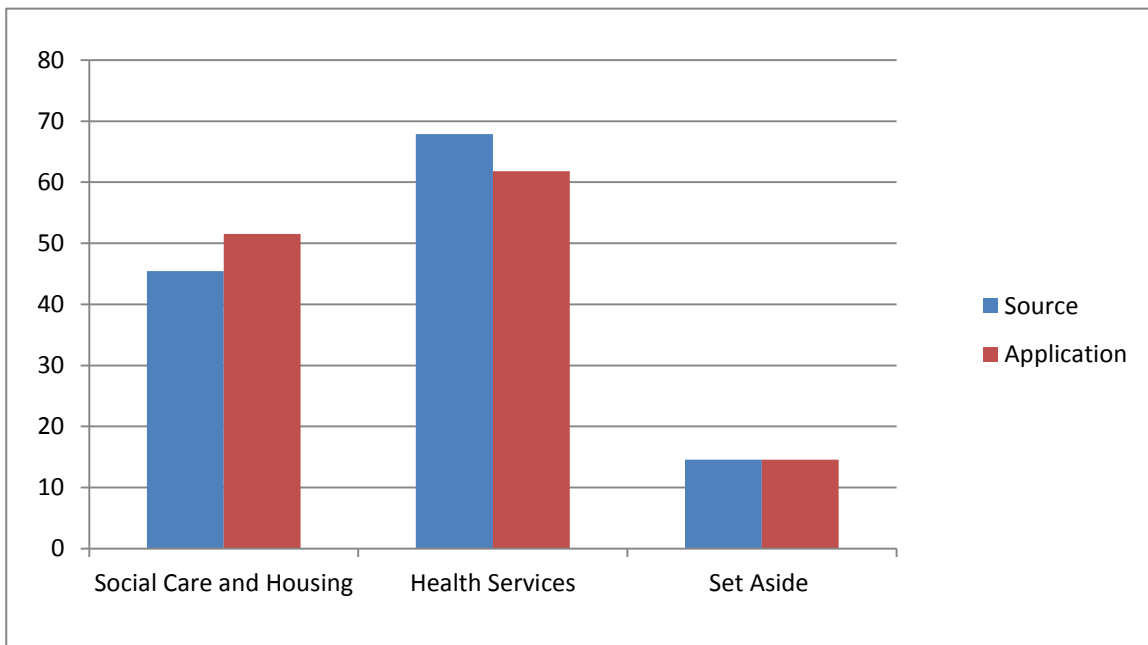
At the end of the year we used £0.177 million from the budget saving reserve to balance the year. This was £0.777 million less than the maximum we had planned to use as we made a number of operational underspends in year through our robust monitoring and financial management. We also gained from the costs of support services and added to our reserves for new funding received.

- Children & Families services underspent in care package costs offset by additional costs in Health Visiting.
- Older Peoples Services were underspent in care packages and staffing.
- Learning Disability Community services overspent in care package costs due to increased numbers and the cost of sleepovers of £0.300 million offset in part by staff turnover.

- Mental Health services have underspent in care package costs by £0.210 million due to a drop in the number of individuals supported, along with some staff turnover.
- Management and Administration underspent in property costs of £0.160 million and we had a year end gain in support services costs from one of our partners of £0.164 million.
- East Renfrewshire IJB hosts the Specialist Learning Disability Services on behalf of the other five IJBs who are coterminous with Greater Glasgow and Clyde. We have added the in-year underspend to reserves (£0.065 million) as part of the ongoing service redesign strategy.

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, with 2016/17 restated to reflect this.

Source and Application of our Net Funding of £127.866 million



Reserves

We used £0.177 million of reserves in year to balance our budget and we also invested new 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 2017		4.360
Planned use of existing reserves during the year	(0.767)	
Funds added to existing reserves during the year	0.065	
New reserves created during the year	1.151	
Net increase in reserves during the year	0.449	
Reserves at 31 March 2018		4.809

The new reserves of £1.151 million we have created are:

- £0.250 million Prescribing; to allow us to manage the volatility in prescribing cost and volume given that the previous risk share arrangements are no longer in place.
- £0.100 million Learning Disability Specialist Services; to create a furniture and equipment fund to allow the service to replace and / or repair furniture and equipment to meet infection control standards and recognise the wear and tear within the in-patient services.
- £0.049 million Learning Disability Specialist Services; ring-fenced funding received for developing an assessment and treatment tool and adult autism support.
- £0.249 million Primary Care Transition Fund; ring fenced funding in relation to the primary care improvement plan and associated activities.
- £0.052 million Projects; ring-fenced funding received in March 2018 for smoking cessation and for Syrian refugees.
- £0.450 million Bonnyton House; agreed by the IJB to meet transitional costs until the financial framework relating to continuing care beds becomes operational.

The overall financial position for the IJB can be summarised as follows:

Total 2016/17 £000	1 st April 2017 to 31 st March 2018	NHS Greater Glasgow and Clyde £000	East Renfrewshire Council £000	Total 2017/18 £000
147,410	Funds Received from Partners	87,581	61,863	149,444
144,191	Funds Spent with Partners	87,581	61,414	148,995
(3,219)	Underspend In Year	-	(449)	(449)
3,219	Earmarked Reserve Contributions	-	449	449
-	General Reserve Contributions	-	-	-

The Comprehensive Income and Expenditure Statement (Page 33), details our income and expenditure by care group and service along with our sources of funding.

Future Challenges

The IJB is facing a number of challenges, risks and uncertainties in the coming years. The financial challenge based on our worst case scenario is a potential savings challenge of £8.5 million over financial years 2019/20 – 2020/21. The 2018/19 settlement was better than expected and we have plans in place to meet the £1 million required savings.

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 areas identified (as at June 2018) are:

- Death or significant harm to a service user or patient.
- Historical sexual abuse.
- Child protection, adult protection and multi-agency public protection.
- Financial sustainability.
- Failure of a provider.
- Primary care capacity.
- Workforce planning and change.
- Children and Young People (Scotland) Act.
- Increase in vulnerable adults.

Demographic pressures remain a 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 economy; the impact of Brexit, Regional Planning, potential reform of NHS boards and local government could all impact on the future of the service we provide and our ability to meet the needs of the communities we serve.

Equity of funding; as we have successfully operated integrated services for a number of years 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.

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. In previous years NHS Greater Glasgow and Clyde has underwritten this expenditure so the IJB has not had to meet the cost of any overspend, nor benefited from an underspend. This approach has ceased so we have to incorporate the costs and risks of prescribing in our financial planning.

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.

Forward Financial Planning; we continue to develop our financial modelling to allow us to estimate the impact of different funding scenarios and the impact this would have on our current and future planning assumptions. We recently undertook work with an external agency to facilitate workshops and prioritise the top five scenarios from that work. Our new Strategic Plan sets out the potential challenge and how we aim to address the funding gap.

The Annual Budget setting timetables remain an issue as the NHS timetable poses a challenge as the Board does not agree its budget until June, whereas the IJB is required to set its budget by March of each year. However the IJB had sufficient proposals to allow us to assume a likely funding range in February for the contribution from both partners and to set our budget on 4 April 2018 with a firm indicative budget from NHS Greater Glasgow and Clyde and confirmed budget from East Renfrewshire Council.

Agreeing a mechanism to transfer actual funding from the notional set aside budget; this is a national issue and our local working group continues to work towards a solution.

Developing performance and financial reporting 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 a scenario based Financial Framework that allows us to plan and model the impact of different levels of funding, pressures and possible savings. This is included in the Strategic Plan for 2018-21 and sets out:
 - Assumptions on the level of inflation, demographic and cost pressure funding we may receive from our partners.
 - Possible savings targets and how we will achieve them.
 - Illustrative budgets by service area through to 2020/21.
 - How we intend to consult on savings.

- We are revising our Strategic Plan for the period 2018 to 2021 as detailed at page 3. We have identified and prioritised proposals that we will consult on to address any funding gap, dependent on our partner funding settlements and associated contributions to the IJB, per our financial framework.
- We are developing a Management Information Strategy and have strengthened performance and governance reporting in our new staffing structure.
- We routinely reported our performance to the IJB with further scrutiny from our Performance and Audit and Clinical and Care Governance Committees. The service user and carer representation on the IJB and its governance structures is drawn from the Public Partnership Forum. The Public Partnership Forum 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' models and reserves to smooth the impact of change over a number of years. This will support our Fit for the Future change programme, looking at:
 - Reshaping our workforce.
 - Responsive services.
 - Finance and resources.
 - Commissioning development.
 - Primary and unscheduled care.
 - Practice assurance.
 - Recovery.
 - Self-directed support.

These eight work streams summarise around thirty individual projects.

- Within self-directed support we continue to test our Individual Budget allocation methodology, based on the principles of transparency, simplicity and sufficiency. We are reviewing all supporting processes to ensure we are as streamlined as possible. We will centralise some processes to maximize our staff skill mix and social worker time to be spent with individuals.
- Governance Code; we have robust governance arrangements and have consolidated these into a Governance Code.
- 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.

Conclusion

East Renfrewshire Integration Joint Board remains well placed in the short to medium 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 longer term funding which could pose risk to meeting future demand we continue to plan ahead and prepare for a range of scenarios.

Morag Brown
Chair
Integration Joint Board 26th September 2018

Julie Murray
Chief Officer
Integration Joint Board 26th September 2018

Lesley Bairden ACMA CGMA
Chief Financial Officer
Integration Joint Board 26th September 2018

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 26th September 2018.

Morag Brown
Chair
Integration Joint Board 26th September 2018

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 2018 and the transactions for the IJB for the period covering 1st April 2017 to 31st March 2018.

Lesley Bairden ACMA CGMA
Chief Financial Officer
Integration Joint Board 26th September 2018

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 2017/18 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 2017/18 amounted to £106,961 in regards to all of the duties undertaken during the financial year. In respect of the Chief Financial Officer, total remuneration for 2017/18 amounted to £65,963.

Name and Post	Salary, Fees and Allowances £	Taxable Expenses £	Total Remuneration 2017/18 £
Julie Murray, Chief Officer 2017/18	106,961	-	106,961
Julie Murray, Chief Officer 2016/17	104,977	-	104,977

Name and Post	Salary, Fees and Allowances £	Taxable Expenses £	Total Remuneration 2017/18 £
Lesley Bairden, Chief Financial Officer 2017/18	65,963	-	65,963
Lesley Bairden, Chief Financial Officer 2016/17	63,074	-	63,074

Voting Board Members 2017/18		Total Taxable IJB Related Expenses 2017/18 £
Councillor Tony Buchanan April 2017 to March 2018	East Renfrewshire Council	Nil
Councillor Jim Fletcher April 2017 to June 2017	East Renfrewshire Council	Nil
Councillor Alan Lafferty (Chair) April 2017 to June 2017	East Renfrewshire Council	Nil
Councillor Ian McAlpine April 2017 to June 2017	East Renfrewshire Council	Nil
Councillor Caroline Bamforth (Chair) July 2017 to March 2018	East Renfrewshire Council	Nil
Councillor Paul O' Kane July 2017 to March 2018	East Renfrewshire Council	Nil
Councillor Jim Swift July 2017 to March 2018	East Renfrewshire Council	Nil
Susan Brimelow	NHS Greater Glasgow and Clyde	Nil
Morag Brown (Vice Chair) *	NHS Greater Glasgow and Clyde	Nil
John Mathews	NHS Greater Glasgow and Clyde	Nil
Anne-Marie Monaghan	NHS Greater Glasgow and Clyde	Nil

The equivalent cost in 2016/17 was nil for all IJB members.

Note: following the local council elections in June 2017, Councillors Fletcher, Lafferty and McAlpine stepped down as members of the IJB. The new members who joined the IJB were Councillors Bamforth (Chair), O'Kane and Swift.

* In June 2018 Morag Brown succeeded Councillor Bamforth as Chair of the IJB, with Councillor Bamforth taking up the position of Vice Chair.

The Pension entitlement for the Chief Officer for the year to 31st March 2018 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 2018 £	Accrued Pension Benefit as at 31 st March 2018	
		Pension £	Lump Sum £
Julie Murray, Chief Officer 2017/18	20,644	35,910	55,946
Julie Murray, Chief Officer 2016/17	20,260	31,434	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 2018 £	Accrued Pension Benefit as at 31 st March 2018	
		Pension £	Lump Sum £
Lesley Bairden, Chief Financial Officer 2017/18	12,731	3,460	-
Lesley Bairden, Chief Financial Officer 2016/17	12,173	2,019	-

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 2017/18 to support officers' pension benefits. The table also shows the total value of accrued pension benefits which may include benefits earned from a previous employment and from each officers own contributions.

General Disclosure by Pay Bands

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

General Disclosure by Pay Bands

Number of Employees 31 st March 2017	Remuneration Band	Number of Employees 31 st March 2018
1	£60,000 - £64,999	-
-	£65,000 - £69,999	1
1	£100,000 - £104,999	-
-	£105,000 - £109,999	1

Morag Brown
Chair
Integration Joint Board 26th September 2018

Julie Murray
Chief Officer
Integration Joint Board 26th September 2018

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 2017/18 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. This is now reflected in our Code of Governance.
- The IJB has two governance sub committees; Performance and Audit Committee and Clinical and Care Governance Committee.
- 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 currently has three localities, based on clusters of GP practices linked to the local areas of:
 - Eastwood 1 (Netherlee, Stamperland, Clarkston, Eaglesham, Waterfoot and Busby)
 - Eastwood 2 (Newton Mearns, Giffnock and Thornliebank)
 - Lavern Valley (Barrhead, Neilston and Uplawmoor)

The 2018-21 Strategic Plan signals a move to two localities for planning and operational purposes and the three GP clusters will remain in place.

The governance framework was put in place during 2015/16 when the IJB was established 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 conform to 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 2017/18. 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. During 2017/18, the service operated in accordance with relevant professional audit standards and the Public Sector Internal Audit Standards. The Chief Internal Auditor prepares an annual report to the Audit Committee, including an assurance statement containing a view on the adequacy and effectiveness of the systems of internal control.

We have recently reviewed our governance arrangements into a formal Code of Governance, which has been audited. 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 the committee. We do have an allocated committee place however capacity has been an issue. We will look to recruit a Carers representative to this committee.
- Workforce; we are working on our workforce and learning & development plans and aim to have these completed by March 2019.

Governance Issues during 2017/18

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 2018.

The most significant audit actions and activity during the year were a follow up audit on the implementation of the Care Finance system. Whilst recognising there are recommendations we continue to work through there is acknowledgement of the progress made and that the previous payments to providers audit is now closed.

Regular reports on all audit recommendations and associated actions are presented to and considered by the Performance and Audit Committee of the IJB.

The governance reports for our partners identified four significant control failures within East Renfrewshire Council, one of which is in respect of creditor's processes relating to the IJB; there were no significant issues within NHS Greater Glasgow and Clyde. The control failures identified within the Council do not materially impact on the HSCP or the IJB's accounts.

Action Plan

The IJB has identified the following actions for 2018/19 that will assist with the further strengthening of corporate governance arrangements:

- Developing our management information to better inform our strategic planning, financial and commissioning strategy, change programme and decision making processes. We have created a post within our new structure to lead on a management information strategy.
- Continue to develop our longer term financial strategy and future funding modelling and scenarios which needs to include any shift of resources from hospital to community services. We will continue to report to the IJB on a regular basis, supplemented by seminars at specific stages in the budget setting process.
- Continue to work with NHS Greater Glasgow and Clyde regarding the timing of future years funding confirmation, the budget setting timescale for 2018/19 demonstrates some progress despite timeframe constraints.

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.

Morag Brown
Chair
Integration Joint Board 26th September 2018

Julie Murray
Chief Officer
Integration Joint Board 26th September 2018

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

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 approved by the Accounts Commission, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

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 2018 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 2017/18 (the 2017/18 Code).

In my opinion the accompanying financial statements:

- give a true and fair view in accordance with applicable law and the 2017/18 Code of the state of affairs of the body as at 31 March 2018 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 2017/18 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)). 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 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. 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.

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 achieve 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.

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; or
- there has been a failure to achieve a prescribed financial objective.

I have nothing to report in respect of these matters.

David McConnell MA CPFA

Audit Director

Audit Scotland

4rth Floor

8 Nelson Mandela Place

Glasgow

G2 1BT

28 September 2018

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 2018

2016/17			2017/18			
Gross Expenditure (Restated) £000	Gross Income (Restated) £000	Net Expenditure (Restated) £000	Objective Analysis	Gross Expenditure £000	Gross Income £000	Net Expenditure £000
10,774	1,211	9,563	Children and Families	10,349	542	9,807
31,439	2,442	28,997	Older People's Services	35,094	3,140	31,954
4,696	44	4,652	Physical/Sensory Disability	5,158	50	5,108
15,996	715	15,281	Learning Disability – Community	17,634	739	16,895
10,283	1,385	8,898	Learning Disability – Inpatients	9,461	1,267	8,194
4,727	210	4,517	Mental Health	4,671	249	4,422
2,475	180	2,295	Addictions / Substance Misuse	2,122	187	1,935
22,967	1,376	21,591	Family Health Services	23,610	1,379	22,231
15,451	-	15,451	Prescribing	16,326	-	16,326
599	567	32	Criminal Justice	587	576	11
489	42	447	Planning and Health Improvement	373	24	349
9,294	1,256	8,038	Management and Admin	8,454	1,617	6,837
185	-	185	Corporate Services	342	-	342
129,375	9,428	119,947	Cost of Services Managed by East Renfrewshire IJB	134,181	9,770	124,411
14,561	-	14,561	Delegated Hospital Acute Services	14,561	-	14,561
255	-	255	Aids and Adaptations	253	-	253
144,191	9,428	134,763	Total Cost of Services to East Renfrewshire IJB	148,995	9,770	139,225
-	80,738	80,738	NHS Greater Glasgow and Clyde	-	82,439	82,439
-	47,030	47,030	East Renfrewshire Council	-	45,625	45,625
-	6,593	6,593	Resource Transfer	-	6,449	6,449
-	3,621	3,621	Social Care Fund	-	5,161	5,161
-	137,982	137,982	Taxation and Non Specific Grant Income	-	139,674	139,674
144,191	147,410	(3,219)	(Surplus) or Deficit on Provision of Services	148,995	149,444	(449)
144,191	147,410	(3,219)	Total Comprehensive (Income) and Expenditure	148,995	149,444	(449)

Prior Year Adjustment

The income and expenditure statement has been restated in 2016/17 to reflect the revised position in relation to hosted services. This is explained in Note 11 to the Accounts.

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.

2016/17 £000	General Reserves	2017/18 £000
(1,141) (3,219) -	Balance as at 31 st March 2017 brought forward (Surplus)/Deficit on provision of services Other Comprehensive Income & Expenditure	(4,360) (449) -
(3,219)	TOTAL COMPREHENSIVE INCOME & EXPENDITURE	(449)
(4,360)	BALANCE AS AT 31st MARCH 2018 CARRIED FORWARD	(4,809)

BALANCE SHEET**As at 31st March 2018**

The Balance Sheet as at 31st March 2018 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 2017 £000		Notes	31st March 2018 £000
4,360	Current Assets		4,986
4,360	Short Term Debtors	7	4,986
-	Current Liabilities		177
-	Short Term Creditors	7	177
4,360	Net Assets		4,809
(4,360)	Reserves	8	(4,809)
(4,360)	Total Reserves		(4,809)

The Statement of Accounts present a true and fair view of the financial position of the IJB as at 31st March 2018 and its income and expenditure for the year then ended.

The unaudited accounts were submitted for approval on 27th June 2018 and audited annual accounts were authorised for issue by the IJB on 26th September 2018.

Lesley Bairden ACMA CGMA
Chief Financial Officer
Integration Joint Board 26th September 2018

Notes to the Financial Statements

1. Accounting Policies

1.1 General Principles

The Statement of Accounts summarises the IJB's transactions for the 2017/18 reporting period and its position as at 31st March 2018.

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 2017/18 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 2018 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 41) 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 31 March 2018.

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 31 March 2018.

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 2017 to 31st March 2018, with corresponding full year amounts for 2016/17. The corresponding figures for 2016/17 have been restated to reflect the basis on which the 2017/18 accounts have been prepared in respect of hosted services.

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

2016/17 (Restated) £000		2017/18 £000
(137,982)	Partners funding contribution and non-specific grant income	(139,674)
(9,428)	Fees and charges and other service income	(9,770)
(147,410)	2017/18 TOTAL FUNDING	(149,444)
36,752	Employee Costs	36,664
924	Premises Costs	974
261	Transport Costs	328
8,419	Supplies & Services	6,803
42,770	Third Party Payments	47,501
1,901	Support Costs	2,045
15,451	Prescribing	18,894
22,967	Family Health Service	20,883
14,561	Acute Hospital Services	14,561
168	Corporate Costs	318
17	External Audit Fee	24
144,191	2017/18 COST OF SERVICES	148,995

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

2016/17 (Restated) £000		2017/18 £000
47,030	East Renfrewshire Council	45,625
80,738	NHS Greater Glasgow and Clyde	82,439
6,593	Resource Transfer	6,449
3,621	Social Care Fund	5,161
137,982	PARTNERS FUNDING CONTRIBUTION & NON SPECIFIC GRANT INCOME	139,674

The funding contribution from NHS Greater Glasgow and Clyde includes £14.561 million in respect of East Renfrewshire's unscheduled care in large hospital (acute) services. 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 2017/18 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 2017/18 financial statements have been prepared on this basis with the full costs of such services being reflected in the 2017/18 financial statements. Accordingly 2016/17 figures have been restated to reflect the revised position in respect of hosted services. The cost of the hosted service provided to other IJBs in regards Learning Disability Inpatients is detailed below.

2016/17 (Restated) £000	LEARNING DISABILITY IN PATIENTS SERVICES HOSTED BY EAST RENFREWSHIRE IJB	2017/18 £000
6,059	Glasgow	6,600
1,264	Renfrewshire	688
788	Inverclyde	416
588	West Dunbartonshire	381
91	East Dunbartonshire	-
8,790	LEARNING DISABILITY – INPATIENTS SERVICES	8,085

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.

2016/17 (Restated) £000	SERVICES PROVIDED TO EAST RENFREWSHIRE IJB BY OTHER IJBs WITHIN NHS GREATER GLASGOW AND CLYDE	2017/18 £000
440	Physiotherapy	348
53	Retinal Screening	57
311	Podiatry	430
359	Primary Care Support	283
364	Continence	287
617	Sexual Health	616
850	Mental Health	1,014
915	Oral Health	891
350	Addictions	347
182	Prison Health Care	191
148	Health Care in Police Custody	159
3,368	Psychiatry	4,000
7,957	NET EXPENDITURE ON SERVICES PROVIDED	8,623

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 2017/18. The nature of the partnership means that the IJB may influence, and be influenced by its partners.

2016/17 (Restated) £000	Income – payments for integrated functions	2017/18 £000
85,152	NHS Greater Glasgow and Clyde	87,581
62,258	East Renfrewshire Council	61,863
147,410	TOTAL	149,444

2016/17 (Restated) £000	Expenditure – payments for delivery of integrated functions	2017/18 £000
85,152	NHS Greater Glasgow and Clyde	87,581
59,039	East Renfrewshire Council	61,414
144,191	TOTAL	148,995

6. Corporate Expenditure

2016/17 £000	Corporate Expenditure	2017/18 £000
168	Staff Costs	173
-	Administration Costs	145
17	Audit Fee	24
185	TOTAL	342

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 2018.

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 2017/18.

Administration costs incurred during 2017/18 relates to the preparation of the Strategic Plan and Carer's Plan.

Fees payable to Audit Scotland in respect of external audit services undertaken in accordance with Audit Scotland's Code of Audit Practice 2017/18 amounted to £24,000. 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

2016/17 £000	Short Term Debtors	2017/18 £000
724 3,636	NHS Greater Glasgow and Clyde East Renfrewshire Council	683 4,303
4,360	TOTAL	4,986

2016/17 £000	Short Term Creditors	2017/18 £000
- -	NHS Greater Glasgow and Clyde East Renfrewshire Council	116 61
-	TOTAL	177

8. Reserves

As at 31 March 2018 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.

2016/17 £000	Reserves	Transfers Out	Transfers In	2017/18 £000
	Earmarked Reserves:			
635	Learning Disability Specialist Services	-	66	701
104	Barrhead Health and Care Centre	104	-	-
75	District Nursing	17	-	58
27	Speech & Language Therapy	18	-	9
70	Integrated Learning and Development Function	-	-	70
80	Community Capacity Building	25	-	55
660	Children and Families	131	-	529
1,937	Budget Savings Reserve	472	-	1,465
500	In Year Pressures	-	-	500
-	- Learning Disability – Non Specialist Services	-	49	49
-	- Primary Care Transition Fund	-	249	249
-	- Prescribing	-	250	250
-	- Bonnyton Service Re-Design	-	450	450
-	- LD Furniture & Equipment	-	100	100
-	- NHS Initiatives	-	52	52
4,088	TOTAL EARMARKED RESERVES	767	1,216	4,537
272	TOTAL GENERAL RESERVES	-	-	272
4,360	TOTAL ALL RESERVES	767	1,216	4,809

9. Contingent Assets and Liabilities

There are no contingent assets or liabilities as at 31 March 2018.

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 2017/18 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. In previous financial years the financial accounts have been prepared on the basis that the costs associated with the activity for services related to non-East Renfrewshire residents were removed and transferred to other IJB's to reflect the location of the service recipients. Costs were also added to reflect activity for services delivered by other IJB's related to East Renfrewshire residents. The costs removed/added were based on budgeted spend such that any over or underspend remained within the hosting IJB.

In preparing the 2017/18 financial statements this adjustment will no longer be made. 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 2017/18 accounts have been prepared and 2016/17 restated accordingly.

The figure included in the 2017/18 financial statements in respect of Hospital Acute Services are 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.

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 Accounts in accordance with the prescribed timescale. In particular the efforts of the Accountancy and Finance staff within the partnership are gratefully acknowledged.

Morag Brown
Chair
Integration Joint Board

26th September 2018

Julie Murray
Chief Officer
Integration Joint Board

26th September 2018

Lesley Bairden ACMA CGMA
Chief Financial Officer

26th September 2018

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APPENDIX 2: Letter of Representation (ISA 580)

David McConnell MA CPFA
Audit Director
Audit Scotland
4rth Floor
8 Nelson Mandela Place
Glasgow
G2 1BT

Dear Dave

East Renfrewshire Health and Social Care Integration Joint Board Annual Accounts 2017/18

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 2018 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's annual accounts for the year ended 31 March 2018.

General

3. East Renfrewshire Health and Social Care Partnership Integration Joint Board and I have fulfilled our statutory responsibilities for the preparation of the 2017/18 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 2017/18 (2017/18 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 Integration Joint Board at 31 March 2018 and the transactions for 2017/18.

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 2017/18 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 2018 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 disclosed in the financial statements in accordance with the 2017/18 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 systems of internal control during 2017/18 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 2018, which require to be reflected.

Balance Sheet

19. There are no events subsequent to 31 March 2018 for which the 2017/18 accounting code requires adjustment or disclosure.

Yours sincerely

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

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