

For meeting on

18 JUNE 2020









# Agenda 2020


**East  
Dunbartonshire  
Health & Social  
Care Partnership  
Performance,  
Audit & Risk  
Committee**



**East Dunbartonshire HSCP Performance, Audit & Risk Committee Meeting  
Thursday 18<sup>th</sup> June 2020, 11:30am  
Meeting room S1, Kirkintilloch Health & Social Care Centre, Saramago Street,  
Kirkintilloch, G66 1XQ and via MS Teams**

**AGENDA**

No.	Item	Lead	Document
1.	Welcome and Introductions	J Forbes	
2.	Minutes of Last Meeting – 17 <sup>th</sup> March 2020	J Forbes	 Item 2. Minutes of meeting 17.03.20.doc
3.	EDC Annual Internal Audit Report 2019/20	G McConnachie	 Item 3. EDC Annual Internal Audit Report.   Annual Internal Audit Report 2019-20 v1.0 I
4.	EDC Internal Audit Planning 2020/21	J Campbell	 Item 4. EDC Internal Audit Planning 2020-;
5.	Draft Annual Report and Accounts 2019/20	J Campbell	 Item 5. Draft Annual Accounts 1920.pdf   Item 5a. Draft EDHSCP Local Code o   Item 5b. Draft Accounts ED HSCP 19
6.	PARC Report Covid-19 Impact in Unscheduled Care	D Pearce	 Item 6. PARC Report Covid Impact on USC
7.	Future Agenda Items	All	

8.	A.O.C.B	All	 Item 8. Intention to extend public audit ap
9.	Date of next meeting – 28 <sup>th</sup> September 2020, 12pm	J Forbes	

**Minutes of**  
**East Dunbartonshire HSCP Performance, Audit & Risk Committee Meeting**  
**Date: Tuesday 17<sup>th</sup> March 2020**  
**Location: S1, Kirkintilloch Health & Care Centre**

**Present:**

Jacqueline Forbes (Chair) (JF)	Ian Ritchie (IR)
Susan Murray (SM)	Jean Campbell (JC)
Caroline Sinclair (CS)	Peter Lindsay (PL)
David Aitken (DA)	
Gillian McConnachie (GM)	

**In attendance:** Kirsty Gilliland (Minutes) (KG)  
Siobhan McGinley (Shadow Minutes) (SMc)

No.	Topic	Action by
1.	<b>Welcome and Apologies</b>	
	Chair welcomed everyone and acknowledged apologies from Derrick Pearce, Mags Maguire, Alan Moir and Sheila Mechan.	
2.	<b>Minutes of previous meeting – 18<sup>th</sup> December 2019</b>	
	The minute of the meeting held on 18 <sup>th</sup> December 2019 was approved as accurate, no items raised.	
3.	<b>Audit Scotland – Annual Audit Plan 2019/20</b>	
	<p>PL gave an overview of the Annual Audit Plan for 2019/20 and highlighted areas of relevance to the Committee.</p> <p>JF asked what business continuity measures had been put in place in relation to Covid19, given face to face meetings are being discouraged during this time. PL advised that they would be using video conferencing where possible and were in the process of sending an email to all audit bodies to inform them what the process would be.</p> <p>Some discussion took place regarding the risks identified which included the section on financial statements within Exhibit 1, page 4. Following this there were discussions around the Audit Fee, page 8 and concern raised by JC regarding the increase of the standard fees to IJBs which is being raised via CFO network nationally.</p> <p>JC advised that they are currently waiting for feedback from Audit Scotland in relation to the audit fee. JC will feed this back to the Committee.</p> <p>PL explained the materiality aspect of the audit process for the Committee.</p> <p>The Committee noted the report.</p>	

<b>4.</b>	<b>Internal Audit Progress Update to December 2019</b>	
	<p>GM provided an update to the Committee of the progress against the agreed 2019/20 audit and risk plan with nine outputs completed in the months of October to December. She made particular reference to points 1.10 – review of HSCP Financial Outturn and Key Controls and 1.13 – HSCP Outturn Variance.</p> <p>JF queried two statements under point 1.11 which referred to: HSCP management being required to provide more than oversight of those budgets delegated to them; and the point noted that over £3.5m of HSCP payments were made in 2018/19 on the basis of information held in Excel spreadsheets and databases, out with the primary system, Carefirst.</p> <p>In response, GM advised that there is always an element of risk with two organisations being involved, however, there are clear guidelines and the HSCP are clear on their roles and responsibilities. In respect of payments outwith carefirst, JC advised there is now a strategic Carefirst group looking at the development of a new system which can include the full range of payments and expenditure within the one system and the Heads of Service from the HSCP are part of this group. A clearer picture will emerge as this progresses which will include timescales. GM informed the Committee that the HSCP have accepted the risk for the payments made outwith carefirst as these relate in the main to Children’s service where payments are more static, and in terms of scale, easier to monitor. However, the introduction of the new system in the near future should now capture all of this information.</p> <p>It is hoped over the coming months that a business case could be put forward to look at other systems using a joint, shared approach with other HSCPs, perhaps Glasgow.</p> <p>The Committee noted the report.</p>	
<b>5.</b>	<b>Interim Follow Up Report 2019/20</b>	
	<p>GM provided a summary of outstanding audit issues, focusing on 7 outstanding high risk areas: Business Continuity; Payroll; Carefirst Testing; Home Care Review; Social Work Contract Monitoring and Procurement Practices.</p> <p>Questions were invited from the rest of the Committee, no questions or issues raised.</p> <p>The Committee noted the update.</p>	
<b>6.</b>	<b>HSCP Transformational Plan 2019/20 Update</b>	

JC updated the Committee on the delivery of the Annual Business Development Plan for the HSCP for 2019/20.

The plan includes a financial framework for each area there are a number of projects reliant on the review of ongoing care packages where there is expected to be efficiencies delivered.

At present there are 54 priorities.

- Delivered – 17
- On track – 16
- Some risk – 11
- Significant risk – 10

The plan indicates a shortfall of £2.074m

JF enquired if it would be possible to have an additional column for 2021 for the next meeting, JC confirmed that this could be developed.

IR asked if the £2.074m was cumulative resulting in a £5.074m shortfall next year. JC confirmed that this would be the case, although some of this will be mitigated through identifying other options and recovery measures for 2020/21. Also by working with the Council to identify and progress further transformation activity through robust budget challenge will help identify what level of services are discretionary, what areas are being looked at to try to identify what can be stopped as a matter of urgency?

Discussion took place regarding which services were statutory and discretionary as well as options to reduce service delivery. CS discussed the interdependencies and impact of cutting discretionary services as these tend to be preventative in nature.

SM suggested having a development session around this. JF highlighted that it might be helpful to outline these in a paper.

SM asked about priority 43 where it refers to utilisation of set aside budgets as there is no background to this. Is there an opportunity with set aside budget to pay for services within the community?

JC advised that set aside remains a notional allocation at this stage with work continuing to develop a mechanism for quantifying activity to actual expenditure. Based on work to date East Dun is slightly above where we need to be in terms of performance for unscheduled care which would create a cost pressure – other areas may see some financial benefit to this given reduction in activity in this area.

JF queried whether this is in relation to our demographic. JC advised that although there are a high number of older people, other groups such as Mental Health and EDADS also contribute to this activity.

CS concluded that there is a vast amount of spend within older peoples services as they require direct care, however, we are looking to maximize best use of equipment, maximize staff visits etc.

JC confirmed that Homecare is not an area that they plan to make any savings in 2020/21. We have developed a recovery plan to manage expenditure within the allowed budget, however this would require to be considered by the IJB as part of the budget setting process for 2020/21.

SM asked if savings could be identified when the budget is set out formally to ensure transparency.

The Committee noted the report.

7.	<b>Audit Scotland Report – Local Government in Scotland: Financial Overview 2018/19</b>	
	<p>JC gave an overview of the publication of the Audit Scotland report on Local Government in Scotland, highlighting the HSCP position in line with the recommendations and concerns of the IJB.</p> <p>IR highlighted that there was a need to be diligent going forward as there was not much comfort from appendix 2 given that we had failed to agree a budget with our partners in previous years.</p> <p>The Committee noted the update.</p>	
8.	<b>Community Support Team: Care Inspectorate Report</b>	
	<p>CS gave an overview of the outcome of the recent inspection of the Community Support Team. From the inspection 2 of the 3 areas were graded as very good (Quality of care and support) and excellent (Quality of management and leadership). It was agreed that this is a very good example of continued improvement.</p> <p>The Committee acknowledged and appreciated the efforts of staff and management paying tribute to their ability to achieve good results.</p> <p>The Committee noted the report.</p>	
9.	<b>Adult Residential Services Inspection Reports</b>	
	<p>DA informed the Committee that the Care Inspectorates unannounced inspections in both of East Dunbartonshire Council / HSCP residential services for adults with learning disabilities within John Street (December 2019) and Meiklehill / Pineview (January 2020) had been very positive. The Grade 5 (very good) grades have been maintained across the service since the last inspection in 2018.</p> <p>CS confirmed that it is more difficult than in previous years to achieve a Grade 5 or 6 since they changed the standards.</p> <p>The Committee noted the report.</p>	
10.	<b>Best Value framework Assessment</b>	
	<p>JC updated the Committee on the delivery of the action plan developed in response to the Audit Scotland Annual Audit report for 2018/19.</p> <p>The report sets out a number of areas for improvement across the HSCP financial landscape. ED HSCP has adopted a best value framework which has been developed by the Scottish Government.</p> <p>SM queried whether reports were too consolidated which may result in voting members not getting enough information in order to make a voting decision.</p> <p>JF suggested that timing of information coming through should also be considered along with the right level of information in order for members to be assured.</p> <p>The Committee noted the report.</p>	
11.	<b>Future Agenda Items</b>	



	Overall budget GP Prescribing 3 year Financial Plan Transformational Plan 2021	
<b>12.</b>	<b>A.O.C.B.</b>	
	The Committee agreed that future dates should be set out in advance. Discussion took place regarding when the meetings should be set in relation to the Board meeting and the final year accounts, 2/3 weeks prior to Board meeting?	
<b>13.</b>	<b>Date of Next Meeting</b>	
	18 June 2020, 11.30 – 13.30 via MS Teams.	

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**EAST DUNBARTONSHIRE HEALTH & SOCIAL CARE PARTNERSHIP  
PERFORMANCE, AUDIT & RISK COMMITTEE**

<b>Date of Meeting</b>	<b>18 June 2020</b>
<b>Subject Title</b>	<b>Annual Internal Audit Report 2019/20</b>
<b>Report By</b>	<b>Jean Campbell, Chief Finance &amp; Resources Officer</b>
<b>Contact Officer</b>	<b>Gillian McConnachie, HSCP Chief Internal Auditor, EDC Audit &amp; Risk Manager 0141 574 5642</b>

<b>Purpose of Report</b>	The purpose of this report is to provide the Health & Social Care Partnership Performance, Audit & Risk Committee with the Annual Internal Audit Report and opinion on East Dunbartonshire Council's systems for 2019/20. The Report summarises the activities of the Internal Audit Team and includes consideration of those systems and processes under the strategic direction of the Partnership.
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<b>Recommendations</b>	The Performance, Audit & Risk Committee is asked to:  a) Note the Annual Internal Audit Report for 2019/20, including the Internal Audit Opinion for 2019/20.
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<b>Relevance to HSCP Board Strategic Plan</b>	None directly.
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**Implications for Health & Social Care Partnership**

<b>Human Resources:</b>	Nil
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<b>Equalities:</b>	Where applicable these are referenced in the body of internal audit reports with associated management actions for improvement.
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<b>Financial:</b>	Internal Audit reports are presented to improve financial controls and aid the safeguarding of physical and intangible assets.
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<b>Legal:</b>	Legal risks are presented in the body of internal audit reports with reference to relevant legislation where appropriate.
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<b>Economic Impact:</b>	Nil
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<b>Sustainability:</b>	Nil
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<b>Risk Implications:</b>	This report provides an overall opinion concluding on the adequacy and effectiveness of the Council's framework of governance, risk management and control. This assurance is then provided to the Health & Social Care Partnership for those systems under its strategic control.
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<b>Implications for East Dunbartonshire Council:</b>	The risks identified in the internal audit reports relevant to East Dunbartonshire Council have been highlighted to the Council's Audit & Risk Management Committee.
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<b>Implications for NHS Greater Glasgow &amp; Clyde:</b>	The risks relevant to the NHS Greater Glasgow & Clyde identified in the internal audit reports have been highlighted to the NHSGGC's Audit & Risk Committee.
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<b>Direction Required to Council, Health Board or Both</b>	<b>Direction To:</b>	
	<b>1.1 No Direction Required</b>	<b>X</b>
	<b>1.2 East Dunbartonshire Council</b>	
	<b>1.3 NHS Greater Glasgow &amp; Clyde</b>	
	<b>1.4 East Dunbartonshire Council and NHS Greater Glasgow and Clyde</b>	

<b>MAIN REPORT</b>	
<b>1.1</b>	East Dunbartonshire Council's (the Council) Internal Audit team provides an independent and objective assurance function that is guided by an overriding objective of adding value to improve systems controls and operations. This assurance is then provided to the Health & Social Care Partnership for those systems under its strategic control. The team provides a systematic and disciplined approach to the evaluation of the internal controls and governance processes in accordance with the Public Sector Internal Audit Standards.
<b>1.2</b>	One of the primary objectives of the Internal Audit team is to provide a high quality and effective internal audit service, which complies with professional best practice, meets the needs of stakeholders and assists the Council's Audit & Risk Management Committee and the H&SCP's Performance, Audit & Risk Committee to effectively discharge its role and responsibilities. The team's purpose, authority and responsibilities are set out in more detail in the Internal Audit Charter, which has previously been presented to this committee in March 2019.
<b>1.3</b>	The presence of an effective internal audit team contributes towards, but is not a substitute for, effective control and it is primarily the responsibility of line management to establish internal control so that the activities are conducted in an efficient and well-

ordered manner, to ensure that management policies and directives are adhered to and that assets and records are safeguarded.

- 1.4** The Council has three main lines of defence in its control environment. Firstly, controls are implemented in services by management. Secondly, senior management monitor the effectiveness of the controls through financial control, security controls, risk management and other activities such as performance management through the HGIOS (How Good is Our Service) reports. Finally, the work of the internal audit team provides a third line of defence, with the audit plan being specified to provide an annual opinion on the Council's internal control systems, governance and risk management systems. Any control weaknesses identified are highlighted to management and to committee and progress in implemented agreed actions is monitored through twice yearly internal audit follow up reporting.
- 1.5** Annual Internal Audit Plans are agreed by the Council's Audit & Risk Management Committee and are informed by consultation with the Corporate and Senior Management Team. Scrutiny of Internal Audit outputs and performance is provided during the course of the year at the Council's Audit & Risk Management Committee, with corresponding reports being tabled at Audit & Risk Management Committee meetings. These reports advise Members of the outcomes of audit work, with performance reports enabling oversight and scrutiny regarding the delivery of work. The audit work is then reported on to the H&SCP Performance, Audit & Risk Committee, to enable scrutiny from an H&SCP perspective, with focus on the audit areas under the strategic direction of the Partnership.
- 1.6** Internal Audit activity is planned to enable an independent annual opinion to be given by the Audit & Risk Manager on the adequacy and effectiveness of internal controls within the Council. This includes those systems that achieve the corporate objectives of the Council and those that manage the material risks faced by the Authority. For 2019/20, this opinion is included in the Annual Audit Report at **Appendix 1**, which also includes the 'Statement of Assurance to the H&SCP on the Adequacy and Effectiveness of the Internal Control System' for the year.
- 1.7** The annual statement and opinion includes specific consideration of:
- Summary of work supporting the opinion,
  - Comparison of work carried out against work planned,
  - Performance of the Internal Audit Team,
  - Impairments or restriction of scope,
  - Conformance with Public Sector Internal Audit Standards, and
  - Consideration of any other relevant issues.
- 1.8** In reaching this opinion, Internal Audit note risks raised by the team in the current and previous years relating to contractual frameworks regarding social work commissioning, contract management, review of care plans within timescales and segregation of duties within the payroll process. Individually, these risks do not significantly impair the Council's systems of internal control but they will continue to be kept under review with auditors reviewing compliance with the agreed actions as part

of an established six monthly cycle. Management have reported progress towards mitigation of these issues and auditors will support ongoing improvements where required as part of the 2020/21 audit programme.

- 1.9** The opinion provided covers the full financial year of 2019/20 and so includes in its scope the last weeks in March 2020, which saw the start of an exceptional strain on the Council's officers, resources, and service provision, as a result of the Coronavirus (COVID-19) pandemic. In order to enable the Council to meet its obligations as a Category 1 civil contingencies responder, the Council's usual decision making structures were suspended and powers delegated to the Chief Executive in a manner similar to the Council's annual recess. Similarly, since the end of March 2020, the HSCP Board has adopted temporary arrangements, and authority has been delegated to the Chief Officer. This delegation is set out in the Scheme of Delegation to Officers and is subject to reporting to the HSCP Board at the first available opportunity. This power is exercised in consultation with the Chairperson or Vice-Chairperson, as appropriate. In addition, the Chief Officer is seeking legal and financial advice prior to making significant decisions and is liaising throughout with the Chief Executives of both the Council and the Health Board. These temporary arrangements are required to deliver new and existing high priority services in these challenging and unprecedented times and will be reviewed as circumstances evolve. The main practical changes in controls in this period as a result of home working has been the increased use of electronic signoffs in some processes; such signoffs are controlled through the encryption technology that has been deployed. Risk management has continued through this period; in some respects a higher than usual level of risk has been accepted in the short term, in order to meet high priority service provision in these challenging and unprecedented times.
- 1.10** The statement concludes that reasonable assurance can be placed upon the adequacy and effectiveness of the internal control systems in the year to 31 March 2020.

# East Dunbartonshire Council

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## Annual Internal Audit Report

2019/20

**Gillian McConnachie**  
**Audit & Risk Manager**

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# Annual Internal Audit Report 2019/20

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This Annual Internal Audit Report is a summary of the activities of the Council's Internal Audit Team for the financial year 2019/20 and includes the internal audit opinion at *Appendix A*. The opinion concludes on the adequacy and effectiveness of the Council's framework of governance, risk management and control. It supports the annual governance statement which will be included in the annual financial accounts. It takes into account the expectations of senior management, the Audit & Risk Management Committee (A&RMC) and other stakeholders. It is supported by sufficient, reliable, relevant and useful information, as referenced in the body of this report. Through utilising such information, Internal Audit demonstrates compliance with relevant Public Sector Internal Audit Standards.

## **Internal Audit Opinion**

In the full statement and opinion provided at *Appendix A*, it is stated that it is my opinion that reasonable assurance can be placed upon the adequacy and effectiveness of the Council's internal control systems, governance and risk management systems in the year to 31 March 2020.

In reaching this conclusion, I note risks raised by Internal Audit in the current and previous years relating to contractual frameworks under-pinning social work commissioning, contract management, the record keeping for potentially dangerous buildings, review of care plans within timescales and segregation of duties within the payroll process. Individually, these risks do not significantly impair the Council's systems of internal control. Furthermore, management have reported progress towards mitigating these risks; however, they will continue to be kept under review, with auditors monitoring compliance with the agreed actions as part of an established six monthly cycle and updates being reported to the Audit & Risk Management Committee.

The opinion provided covers the financial year 2019/20. It therefore includes consideration of the early impact of the Coronavirus (COVID-19) and the initial 'response' phase where Civil Contingency Arrangements were initiated and Council strategies, resources, service provision and governance arrangements were flexed to accommodate. The Council continues to meet its obligations as a Category 1 civil contingencies responder with the decision being taken to suspend the Council's established decision making structures and delegate powers to the Chief Executive; such provisions are normally actioned during the Council's annual recess. The impact on the controls environment was largely unchanged; however, practical arrangements were implemented to accommodate home working, including the increased use of electronic signoffs in some processes; such signoffs are controlled through the encryption technology that has been deployed throughout the Council. Risk management has continued through this period, albeit with an increased level of inherent risk and in some respects, a higher than normal level of risk has been accepted in the short term. Such risks are accepted on the basis that current events are not normal and there is a requirement to deliver new and existing high priority services in these challenging and unprecedented times.

The opinion represents a consolidated view, informed by a number of sources and, in bringing these together, considers whether there is evidence that key controls are absent, inadequate or ineffective. The work includes an assessment of any weaknesses identified and whether these, taken independently or with other findings, significantly impair the Council's system of internal control. Wider issues relating to the Council's corporate governance framework and risk management arrangements have also been considered in providing the opinion, having been

specifically included in our programme of audit work for the year for that purpose; the work that supports this opinion is highlighted in subsequent sections.

The level of assurance provided by the Internal Audit Team can never be absolute. This reflects the sample nature of the work carried out, the relative scope and objectives of audit assignments and those explanations offered, and evidence provided by officers. In addition, factors external to the audit process including human error, collusion or management overriding controls as a potential for systems, historically highlighted as being satisfactory, to become exposed to risk or loss.

### **Summary of Work Supporting the Opinion**

The opinion is informed by a number of sources, including the work completed as part of the Annual Internal Audit Plan. Each audit assignment in the plan addresses one of the following specific areas: systems, regularity, irregularity, consultancy and ICT. The risk of fraud is also considered in each assignment, together with any governance or risk management implications; this allows the Audit & Risk Manager, as the Council's Chief Internal Auditor, to draw sustainable conclusions based on a range of activities that reflect the diversity of work carried out by the Council.

The 2019/20 Plan was substantially completed in terms of required outputs presented to the A&RMC, with 31 outputs completed by 31 March 2020 compared to 34 outputs planned. A detailed comparison of the work carried out against the Plan is provided in subsequent sections.

The opinion is also informed by our programme of follow up activities, which reviews the extent to which those risks previously identified have been subsequently managed or mitigated. Internal Audit presented a half-yearly follow up report to the Audit & Risk Management Committee in February 2020. Internal Auditors were pleased to note progress in overall outstanding risk figures, which had decreased from 37 risks to 23 risks; however, asked for management to focus on closing the remaining 7 high risk issues. One such area identified for improvement is that of the process for purchasing commissioned care, particularly in emergency or short notice circumstances. This process requires strengthening. In support of these improvements, an internal audit review of two specific arrangements is currently underway, and identified improvements will be taken forward through the HSCP's Senior Management Team, and in collaboration with partner colleagues. The Internal Audit team continue to follow up all outstanding actions with Executive Officers and Senior Management to ensure that residual issues are addressed.

Additionally, the Council's Audit & Risk Manager provides representation to the Glasgow City Deal Audit Support Group. The Group is a key requirement of the City Deal assurance framework and is an important consideration in the overall governance arrangements. Representatives of the group are required to provide an Assurance Statement on behalf of their Councils, highlighting any concerns or weaknesses that may need to be taken into consideration by the Glasgow City Region Cabinet. Having reviewed City Deal activities within East Dunbartonshire Council, auditors noted that funding had been received during the course of the year relating to employability workstreams. Auditors performed testing of transactions, and considering the wider governance arrangements within the Council, there were no material issues that needed to be brought to the attention of the Glasgow City Region Cabinet; the statement was therefore prepared on this basis.

### **Internal Audit Output Summary**

The 2019/20 annual audit plan included provision for a direct allocation of 805 audit days and planned production of 34 outputs. The plan to deliver such an extensive programme represents the commitment of the team to deliver an opinion based on the widest possible range of audit work. This included an increase of five planned systems audits on the previous year.



Audit work for the year ended with outputs being 91% complete having applied 101% of the resources, being audit days, allocated in the Plan. The actual audit days delivered at 101% were very close to those planned, with an assumed 4% staff turnover in the team not materialising. This was offset by a reduction in audit days through support provided to other teams in the form of short term secondments. Such secondments are advantageous as they provide corporate support to other teams at key pressure points and contribute to the development of skills, knowledge and the profile of the internal audit team. Risks around independence are managed through retaining a central record of any secondments and by ensuring that the internal auditors do not audit processes in the future for which they previously had responsibility.

With regards to outputs, there were some underlying variations noted in *Table 1* below. During the course of the year, ongoing performance reports have been presented to the A&RMC with progress being reported to enable ongoing Member oversight, scrutiny and challenge.

**Table 1 - Analysis of Outputs by Audit Type**

<b>Audit Type</b>	<b>Completion Number</b>	<b>Completion %</b>
Systems	11 Completed out of 15 Audits Planned	73% Complete
Regularity	10 Completed out of 10 Audits Planned	100% Complete
Irregularity	1 Completed out of 2 Audits Planned	50% Complete
Consultancy	8 Completed out of 5 Audits Planned	>100% Complete
Information Technology	1 Completed out of 2 Audits Planned	50% Complete
<b>Total</b>	<b>31 Completed out of 34 Planned</b>	<b>91% Complete</b>

In reviewing the performance of the team, it was noted that one report out of 31 in 2019/20 was issued outwith the target of 20 days of fieldwork, giving a compliance rate with this Performance Indicator of 97%, against a target of 95%. The target is set at 95% rather than 100% as, at times, a management decision will be taken to prioritise time critical pieces of work, meaning that a finite number of audits may not be issued in accordance with our internal timescales. This metric is reported through the Finance & Audit 'How Good is our Services Report'.

### **Summary of work completed to support opinion**

#### Systems

The team's work included ten key system areas for consideration, and our assurance on these areas is detailed below. A further five systems audits on Developer Contributions, the Financial Assessment Process, Registration Services, ICT Contract Management and HSCP Financial Planning were work in progress at the year end and so are not included as outputs for the year. These audits are at the finalisation stage and will be or have been completed post year end.

*Building Standards* – Auditors reviewed the controls in place for Building Standards and concluded that these are generally effective, whilst highlighting a risk relating to reports received on potentially dangerous buildings. Auditors are satisfied that the completion of the agreed action plan, which is nearing completion, will address those risks raised by auditors.

*Direct Payments* – A review was performed on Direct Payments as a detailed follow up to a previous audit carried out in 2014. Auditors concluded that the controls in the area of Direct Payments are now generally reasonable and noted an improvement in controls compared to the previous audit in this area in 2014. However, some areas for further improvement were noted including a high risk issue in relation to support reviews being carried out on a timely basis. The action to address the risk has now been implemented.

*Review of HSCP Financial Outturn and Key Controls* - The 2018/19 year end out-turn for Social Work services originally provided a significant unexpected adverse movement, from a projected overspend of £3.414m reported at period 10, to that reported at the year-end, of £4.257m – an apparent adverse movement of £0.843m between the periods. This prompted a reflection on the reasons for such a variation and two audits were requested and specified to:

- review the adequacy of the systems and processes for ensuring care packages are timeously recorded on relevant systems and
- the robustness of information available to managers to support effective HSCP budget monitoring.

Auditors made a number of recommendations relating to roles and responsibilities, forecasting and budgeting, key person dependencies, use of systems and the tracking of adjustment reasons. It was also noted that there were a number of continuing themes that were similar to those previously identified by auditors. This included the need to ensure that reported issues and risks are mitigated in accordance with the action plan; the timely implementation of issues previously raised would have reduced the significance and/or number of issues raised in the report. An action plan was agreed with management to address the issues raised by auditors and work towards mitigating the risks is in progress. Risks in relation to data held outwith Carefirst and in relation to the Carefirst system itself were accepted by management in the short term, with medium term plans for an option appraisal on system replacement being taken forward as part of the Transformation Programme. A further audit was carried out, as is detailed at the consultancy section below.

*Payroll* – Following comprehensive testing and review of the key controls and administration of payroll, auditors rated the control environment as generally reasonable, whilst recommending further improvement actions to enhance assurances within the area. The most significant of these was an issue relating to segregation of duties. Employee Services Officers (formally HR and Payroll) had, at the time of the audit, the same access rights to the iTrent system. In addition, an important control in the form of a workflow was not operating effectively; this has subsequently been corrected. Auditors highlighted the risk that changes or additions could be made to the Payroll system (iTrent) and could potentially go undetected. Management agreed an action plan to address this issue, including a revised employee structure to improve segregation of duties.

*Budget Setting & Monitoring* - Auditors performed a review of the Council's Budget Setting & Monitoring Procedures, focusing on the General Revenue budget. Auditors were pleased to conclude that the budget setting process is sufficiently structured, detailing the assumptions to be considered, in order to facilitate the setting of a balanced budget. Budget monitoring at Committee level is also reasonable, with information being presented to Members in a format that facilitates scrutiny. The development of a formal reserves strategy, updates to the Financial Regulations and improvements to variance action plans were recommended in order to provide further assurances. In providing an overall opinion, Auditors concluded that current controls are reasonable, insofar as they provide a sensible and logical framework for the control systems surrounding General Revenue budget setting and monitoring.

*Housing rent Arrears* - Auditors provided reasonable assurance over the rent arrears process, with the control environment having been assessed as generally sound. Some opportunities to improve

efficiencies and controls in the process were noted, with an action plan agreed with management. Auditors noted that the current Saffron system is the most significant constraint in the efficiency of the current process and were pleased to note the ongoing work to implement a new Integrated Housing Management System (IHMS) within the Council's Transformation Programme. However, since the conclusion of the audit, auditors received an update that the tender process was unsuccessful with no final tender bids submitted. Further procurement activity will therefore be required to fully mitigate the risks associated with the current system.

*Procurement Standing Orders* - Auditors concluded that the key controls surrounding the Council's compliance with Contract Standing Orders ensure a sound framework of internal control, with controls operating effectively and best practice being evident. Auditors were pleased to note the progress made in procurement controls in recent years. One minor recommendation was made and an action plan was agreed with management. It should be noted that this review excluded Social Care spend. Two internal audit reviews of the award of specific HSCP contracts is underway and the results of this work will inform future internal audit activity.

*Council tax billing and collection* - The Council Tax control environment was assessed by auditors as generally sound. Three low level/housekeeping risks were identified and an action plan was agreed to address these.

*Debtors (Ash)* - Auditors provided substantial assurance over the Ash Debtors Systems processes, with the control environment having been assessed as generally sound. Four low level risks were identified as areas for potential improvement.

*Milngavie Business Improvement District (BID)* - Auditors concluded that the controls governing the administration of the Milngavie BID are generally reasonable. Auditors made recommendations regarding of segregation of duties in the credit notes process and in relation to billing the BID the agreed management fee on a timely basis. Auditors also highlighted risks in relation to the use of a spreadsheet and to the lack of detailed documented procedures for some elements of the process. The action plan has now been completed, which has addressed the risks raised.

*EDLCT Systems Audits* - In line with the internal audit plan for 2019/20, an audit was conducted of East Dunbartonshire Leisure and Culture Trust's income system. A note of this work is included in this report to allow oversight over the totality of outputs completed by the internal audit team. The results of this audit were separately communicated to the Trust's management in detail and an action plan agreed has been taken forward by the Trust.

### Regularity

*Stock Count* - Our annual 2019 year-end audit of the Council's stock was concluded, with no significant issues identified. The 2020 stock take was not attended by Internal Auditors in order to avoid unnecessary social contact, given Council and NHS advice on the Coronavirus (COVID-19) pandemic.

*Annual Assurance* - A number of documents that collate the work of the Internal Audit team have been produced by the team as part of their responsibility for annual assurance. These are the twice yearly follow up reviews, the annual Internal Audit report (this document), the drafting of the Annual Governance Statement for inclusion in the accounts and signature by the Council Joint Leaders and Chief Executive, and, additionally, assurance statements on the Council's work for the Health & Social Care Partnership and City Deal. Internal Audit have also reviewed the Council's Risk Management arrangements and have concluded that the Council has a reasonably well developed risk management maturity. There are established risk registers for all Strategic Accountabilities and

for the Council itself. These risk registers have been reviewed by management over the course of the year, with service risk registers being reported to the Audit & Risk Management Committee and the corporate risk register being presented to Council. Standard committee templates also include a section for the consideration of risk and control measures for all reports, under the heading of 'Management of Risk'. This promotes a risk aware culture. A Corporate Risk Management Strategy has been approved by the Audit & Risk Management Committee and this sets out the Council's approach to identifying, assessing and managing risks.

*Social work regularity review* – This was carried out at Kelvinbank Resource Centre and the report was finalised in the year. Issues relating to petty cash, debt for meal charges and inventory procedures were highlighted by Auditors. These issues have since been addressed.

During 2019/20 a self assessment of the effectiveness of the Audit & Risk Management Committee commenced with the assistance of the Audit & Risk Manager. This work will be concluded in 2020/21.

The Internal Audit Plan for 2020/21 has also been drafted and work has commenced on planning these pieces of work.

### Irregularity

Auditors performed a high level review of the circumstances surrounding a small sum of missing cash dating back to 2017 and the new controls in place. Auditors concluded that the control environment in the Early Years establishment were suitably enhanced. However, in order to provide additional assurance over School Funds cash handling in educational establishments, internal audit will be asking the auditors of School Funds, to check a sample of records in future audits to ensure that the expected sum banked equates to the actual sum banked. The audit of the 2019/20 school funds will be the first year that the new audit process will be applied.

No major concerns have been noted.

### Consultancy

Resources are allocated in the audit plan for consultancy work with five consultancy pieces of work planned for the year. A number of additional reviews have been conducted in response to requests for specific pieces of work and the detail of the reviews carried out is given below.

- *HSCP Outturn Variance* – As referred to at the Systems section above, and in addition to the *Review of HSCP Financial Outturn and Key Controls* audit detailed above, a joint audit between the Council's internal audit team and the NHSGGC's internal audit provider was requested by the Chief Executives of the Council and of NHS Greater Glasgow and Clyde. This audit reviewed the circumstances and controls surrounding the HSCP accruals and bad debt year-end processes. Auditors concluded that the circumstances which led to the apparent overspend were the large number and complexity of journals required to be posted, coupled with an accounting error. The error was identified through subsequent month end procedures. Documented year-end tasks have since been amended, with a view to preventing a recurrence and auditors made further suggestions to improve controls and to enhance management assurances over the process. An action plan was agreed to improve the control environment.
- *Review of Council ALEO (Arm's Length External Organisation) Arrangements in Relation to East Dunbartonshire Leisure & Culture Trust* – As part of this review, auditors considered one of the key statutory requirements in relation to governance arrangements for ALEOs: the Accounts Commission and COSLA's Following the Public Pound 1996 Code of Practice ('the Code'). Councils are required to put safeguards in place when utilising ALEOs and the Code places an

expectation on councils to spend public money wisely and to be clear about what is delivered in return. Auditors concluded that the Council's governance arrangements surrounding the operation of East Dunbartonshire Leisure and Cultural Trust are generally reasonable. Recommendations were made, reflecting the need to ensure that ongoing work is finalised and associated documentation refreshed.

- *Leases* - A consultancy based audit was scheduled to examine the progress towards implementation of International Financial Reporting Standard (IFRS) 16, which introduces changes to the accounting treatment of certain lease agreements. The focus of the internal audit review was to assess the work being undertaken to revise lease management controls and comply with the new accounting standard. The audit also reviewed the fraud controls in place when the Council acts as a lessor, for example, when leasing out buildings for a period of time. Areas for improvement were identified in relation to ongoing work required and the establishment of continuous lease records to aid with IFRS 16 compliance. An action was also agreed to further strengthen the processes for vetting tenants before letting out council buildings.
- *Self Approval* - The Self Approval process provides a facility for selected Officers to create, process and authorise their own orders. Self Approval differs from the usual purchasing process and has been permitted by the Council in certain circumstances in order to expedite the process of ordering goods. This is normally for high volume, low value transactions e.g. catering, that require orders to be placed and delivered quickly. Auditors provided reasonable assurance over the Self Approval process, with the control environment having been assessed as generally sound and proportionate to the risks. Some opportunities to improve controls relating to the maintenance of the hierarchy spreadsheet and management monitoring of Self Approval were identified and have been taken forward.
- *invoicing* - Invoicing represented a change in process to an important Council system and so internal audit reviewed the process in order to identify whether this created any new risks for the Council. Auditors concluded that the processes appear to be sound and adequately controlled. The implementation of a new control - an iProc audit trail for bank details - has provided additional assurances in the area of payment of invoices. Auditors did not identify any issues in the course of this work and so there was no action plan associated with this report.
- *Contract Award: Day Care Provision* - The Audit & Risk Manager was asked by Council to conduct an internal audit review into the circumstances surrounding the contract. The audit has progressed and an update will be provided once complete.
- *Contract Award: Care at Home Provision* - The circumstances of the contract and proposed contract was referred to Internal Audit for investigation and to report back to a future meeting of the Council. The audit is progressing and a report back will be brought in the coming months.
- *Review of Direct Payment Case* - Internal Audit were asked to review a potential fraud case relating to a Direct Payment customer. Upon review of the circumstances by Internal Audit, auditors concluded that there was insufficient evidence of fraud. However, one recommendation to management was made in relation to the timeliness of Shared Services audits of direct payment accounts. Management have confirmed that improved procedures are already in place and internal audit have been able to provide some assurance over this via the Systems Direct Payment report (referred to above), where improvements have been noted and an action plan has been completed to enhance controls in this area.

- *Review of Business Support Fund Process* – Internal Audit provided advice on controls being implemented for the administration of the new Small Business Support Grant and the Retail, Hospitality and Leisure Support Grants.
- *Electric Vehicle Charge Points Grant Review* – auditors provided assurance over the integrity of the grant claim.

### ICT

*Cyber security* - Auditors assessed the council's compliance against the ten steps of the National Cyber Security Centre's best practice guidance, and agreed an action plan with management to address areas where further work is required. Auditors recognise the organisational improvements that have been made in raising the profile of cyber security, with the inclusion of cyber on the Council's Corporate Risk Register. The Council also exhibits good practice in respect of the monitoring of the Network and the general Cyber perimeter. The most significant areas identified for improvement are in relation to incident management, training and awareness across the organisation and removable media controls. The agreed action plan will improve management and committee assurances over cyber security risks.

### Audit Development

Allocations to Audit Development represent resources dedicated to the development of quality processes, benchmarking and adherence to good practice requirements. A number of positive developments have been completed in this area in the year with the commencement of a self-assessment against Public Sector Internal Audit Standards (PSIAS), a review of the efficiency of internal audit processes and the development of a benchmarking exercise with nearby similar sized authorities. Performance Indicators have been selected to this end and data has started to be compared. This has been used to start conversations relating to any differences in audit approaches, with a view to identifying best practice and driving improvement in the Internal Audit function.

In addition, training material has been developed, to support the development of Team Leaders and Managers across the council, covering the areas of Risk, Internal Audit and Fraud.

An Internal Audit Satisfaction Survey is issued to services following the conclusion of each audit. The results of these surveys are monitored to identify opportunities for improvement within the service.

### **Progress against improvement plans**

The Internal Audit service takes a 'continuous improvement' approach to our internal audit work. This is reflected in our reports and recommendations made to services and also in the approach to the internal audit work itself, with a focus in making incremental improvements to our work through efficiencies, and/or improved quality. This helps us to improve our quality and adherence to PSIAS, and to focus on the areas of greatest risk and where we are able to add the most value. Examples of improvements identified over the past year include:

- Changes to the process for agreeing the scope of audits, to ensure Executive Officer agreement before commencement;
- A review of the efficiency of the internal audit process has resulted in a reduction in the files required to be retained, reducing time spent referencing these documents and reducing file storage requirements; and
- A revision to the format of follow up reports, to include the date that reports were originally issued.

## Performance of the Internal Audit Team

The Key Performance Indicators for the Internal Audit Team are planned in the Finance & Audit annual '*Business Improvement Plans*' (BIPs) and then reported against on a quarterly basis in the '*How Good Is Your Service*' (HGIOS) reports to Members of the Policy & Resources (P&R) Committee. Further information is provided via the Annual Scottish CIPFA '*Director of Finance Indicators*', which compares benchmarking data against the other Local Authorities in Scotland.

Current indicators reported through BIPs and HGIOS are noted as follows:

- Percentage of finalised audit outputs against the number anticipated in the Plan.
- Percentage of productive days worked against the target productive days in the Plan.
- Percentage of audit reports issued within 20 days of completion of fieldwork.

These indicators form a consistent thread from the BIP to HGIOS, with subsequent scrutiny delivered by the A&RMC and P&R. The year-end position in relation to each of these indicators is included above in the section relating to the '*Comparison of Work Carried Out Against Work Planned*'. A new annual indicator has been added for 2020/21, which is Internal Audit Customer Satisfaction. The figure for 2019/20 was 92% and the stretch target for 2020/21 of 95% has been set.

CIPFA's '*Director of Finance Indicators*' includes consideration of a number of key performance indicators, two of which relate to the provision of internal audit services. These are the cost of the internal audit service per £1m of Council expenditure and productivity of internal audit as measured by the percentage completion of the internal audit plan. The most recent figures available are for 2018/19 and these indicators highlight that:

- The cost of internal audit increased in 2018/19 due to the filling of a vacancy in the team in July of that year.
- The cost of internal audit relative to other authorities is in line with expectations, with a position of 14th in terms of the level of investment in internal audit per £million of net expenditure, out of 32 authorities.
- The figures also show 96% of productive days achieved, compared to those originally shown as required to complete the annual plan. This was as anticipated in our 2018/19 annual report, and will continue to be monitored. The range of figures for other authorities is between 78% and 117%.

The 2019/20 data has not yet been collated across the authorities for publication.

Auditing standards require internal and external auditors to work closely together to make best use of available audit resources. External auditors seek to rely on the work of internal audit wherever possible. As part of their planning process Audit Scotland carry out an assessment of the internal audit function to determine whether the Council have sound documentation, standards and reporting procedures in place and comply with the main requirements of the PSIAS. No such concerns were raised as part of this planning process.

## Impairments or Restriction of Scope

There have been no impairments or restrictions of scope during the course of the year.

## **Reliance on Other Assurance Providers**

The internal audit opinion also includes consideration of the work of other assurance providers. This includes those reports issued by the Council's external auditors, Audit Scotland, both individually and on behalf of the Local Area Network of other scrutiny partners. A consideration of the internal audit team is the work undertaken by Audit Scotland on their Key Financial Controls. Whilst the work of the internal audit team has a broader focus on systems, encompassing operational, in addition to financial systems, this remains a significant indicator.

Audit Scotland's 2019/20 Management report highlighted areas where controls should be improved that were considered as part of their approach to the audit of the Council's financial statements. These included: timeliness of completion of reconciliations, user access rights, the timeliness of the review of NDR reliefs/discounts, authorisation of journals, payroll exception reports and standing data and Housing rent arrears. An action plan will be developed to address the issues raised, with responsible officers and target dates set.

The team have also liaised with the external audit team during the course of the year. This has enabled the team to engage with our external auditors on a range of issues covered within their reports and letters on financial controls, financial statements, annual report and best value arrangements.

The work of the internal audit team continues to place reliance on assurance provided by, for example, the Chief Social Worker in their annual report, the work undertaken to assess our ICT network resilience for PSN accreditation and our performance through the Local Government Benchmarking Forum.

## **Progress & Results of the Quality Assurance Improvement Programme**

The Internal Audit function is required to adhere to PSIAS in order to ensure quality and consistency across the public sector. It is a requirement of these standards that periodic self-assessments are conducted to evaluate conformance with the Code of Ethics and the PSIAS. Under Section 7 (1) of the Local Authority Accounts (Scotland) Regulations 2014, the council must operate a professional and objective internal auditing service in accordance with recognised standards and practices in relation to internal auditing. The Council defines such practices as those set out within the PSIAS. A self-assessment against PSIAS was completed by the Audit & Risk Manager in March 2020 and formed part of EDC's Quality Assurance and Improvement Programme for Internal Audit for 2019/20. As a result of this review, the following action has been identified and implemented for audits commencing in 2020/21:

- Documentation of the means by which the activity controls its performance at the planning stage of audits.

In addition to the self-assessment, an external assessment was completed of the Internal Audit function in 2018, in order to meet the PSIAS requirement for an external assessment at least once every five years. It was found that, in the opinion of the qualified, independent assessor, the Internal Audit team fully conforms to twelve of the standards and generally conformed to the other standard (Independence and Objectivity). However, due to changes in the organisational structure since this review was completed, the Audit & Risk Manager no longer has responsibility for Health & Safety or Corporate Performance & Research. This has enhanced the Audit & Risk Manager's organisational independence. Furthermore, the actions identified by the external assessor in 2018 and by the self assessment carried out in 2018 have been implemented.



Internal Audit have also issued questionnaires on completion of each audit assignment, providing an opportunity for the auditee to provide feedback on the planning process, communication and the quality of the internal audit report. Ten completed questionnaires were received in the last year, (an increase on the three received in 2018/19), the results of which will be used to improve the internal audit service.

All audit files are reviewed by the Audit & Risk Manager to ensure high standards are maintained and to encourage a continuous improvement approach by the team.

### **Statement of Conformance with Public Sector Internal Audit Standards**

Internal Audit is required to comply with PSIAS. This is assessed herewith by the Audit & Risk Manager.

The Audit & Risk Manager deems the service to fully conform with PSIAS. One further point for improvement was identified in the 2020 self assessment against PSIAS relating to the documentation of the means by which the activity controls its performance at the planning at the planning stage. This consideration has been added to the team's standard planning document and has been implemented for audits commencing in 2020/21.

### **Other Issues**

I am aware of no other material issues that require to be reported at this time.

## **STATEMENT ON THE ADEQUACY AND EFFECTIVENESS OF THE INTERNAL CONTROL ENVIRONMENT OF EAST DUNBARTONSHIRE COUNCIL FOR 2019/20.**

**To the Members of the Health and Social Care Performance, Audit & Risk Committee, the Chief Officer and the Chief Finance & Resources Officer of the H&SCP**

As the Audit and Risk Manager of East Dunbartonshire Council, I am pleased to present my annual statement on the adequacy and effectiveness of the internal control system of the Council for the year ended 31 March 2020 to the H&SCP.

### **Respective Responsibilities of Management and the Internal Audit Team in Relation to Governance, Risk Management and Internal Control**

It is the responsibility of the Council's senior management to establish appropriate and sound systems of governance, risk management and internal control to monitor the continuing effectiveness of those systems. It is the responsibility of the Audit & Risk Manager to provide an annual overall assessment of the robustness of governance, risk management and internal control.

### **The Council's Framework of Governance, Risk Management and Internal Controls**

The main objectives of the Council's framework of governance, risk management and internal controls are to ensure that resources are directed in accordance with agreed plans, policies and priorities and to ensure that there is sound decision-making and clear accountability for the use of those resources in order to achieve the desired outcomes for service users and communities.

This includes ensuring that appropriate internal controls and risk management arrangements are in place in order to effectively manage issues which might impact on the delivery of Council services, the achievement of corporate and service objectives and public confidence in the Council. The Council also requires effective internal controls and risk management arrangements to safeguard its employees, to protect its assets, to maintain effective stewardship of public funds, to ensure good corporate governance, to ensure compliance with statutory requirements and to ensure it continues to deliver best value.

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

### **The Work of the Internal Audit Team**

Internal audit is an independent appraisal function, established by the Council, for the review of the internal control system. This function is provided as a service to the organisation as a whole. The Internal Audit Team objectively examines, evaluates and reports on the adequacy of internal controls in all service areas as a contribution to the proper, economic, efficient and effective use of the Council's resources.

The Internal Audit Team has undertaken a programme of work, in consultation with the Corporate Management Team and key stakeholders, to understand the key risks facing the Council. Thereafter

the plan was formally approved by Audit and Risk Management Committee and published in the form of an Annual Internal Audit Plan.

All Internal Audit reports identifying system weaknesses, risks and/or non-compliance with expected controls are brought to the attention of senior management and significant findings presented to the Audit and Risk Management Committee. Audit reports and action plans provide insight into the risks identified and include an agreed narrative highlighting the Service's intended course of action, including the timescales involved to mitigate and manage the risk. It is management's responsibility to ensure that proper consideration is given to internal audit reports and that appropriate action is taken on those risks identified.

The Internal Audit team are required to ensure that appropriate arrangements are made to determine whether action has been taken on agreed reports or, where appropriate, that management has understood and assumed the risk of not taking action. Significant matters (including non-compliance with audit recommendations) arising from internal audit work are reported to the Audit & Risk Management Committee, the Corporate Management Team, and Executive Officers.

In 2019/20, auditors noted a number of high risk issues within those reports completed in the year and some risks still in progress from previous years. Such 'in progress' risks include those relating to the number of Social Work providers operating without a contract and to Contract Management – an area of development for the Council. The audit work carried out in 2019/20 also highlighted the following areas as requiring improvement: review of care plans within timescales, segregation of duties within the payroll process and the record keeping for reports of potentially dangerous buildings. Management have reported progress towards mitigation of these issues and Auditors will monitor compliance with the agreed actions as part of an established six monthly cycle, and updates being reported to the Audit & Risk Management Committee.

The opinion provided covers the full financial year of 2019/20 and so includes in its scope the last weeks in March 2020. It therefore includes consideration of the early impact of the Coronavirus (COVID-19) and the initial 'response' phase, where Civil Contingency Arrangements were initiated and Council strategies, resources, service provision and governance arrangements were flexed to accommodate. Nonetheless, it is internal audit's opinion that the Council's controls continued to operate reasonably through this period.

### **Impairments or Restriction of Scope**

There have been no impairments or restrictions of scope during the course of the year.

### **Basis of Opinion**

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

- The internal audit work completed by the Internal Audit Team during the year to 31 March 2020 and material findings since the year end;
- The audit work undertaken by the Internal Audit Team in previous years;
- The assessments of the Annual Governance Statements Internal Checklist for individual strategic accountabilities relating to 2019/20 as completed by Executive Officers;
- The assessment of audit risk to internal and financial controls determined during the preparation of the annual Internal Audit Plan;

- Reports issued by the Council's external auditors, Audit Scotland, and other review agencies; and
- My own knowledge of the Council's governance, risk management and performance management arrangements.

### **Opinion**

It is my opinion that reasonable assurance can be placed upon the adequacy and effectiveness of the Council's internal control system in the year to 31 March 2020 for those systems under the strategic control of the H&SCP.

**Gillian McConnachie CA**  
**Audit & Risk Manager**  
**East Dunbartonshire Council**  
**18 June 2020**

**EAST DUNBARTONSHIRE HEALTH & SOCIAL CARE PARTNERSHIP  
PERFORMANCE, AUDIT & RISK COMMITTEE**

<b>Date of Meeting</b>	<b>18 June 2020</b>
<b>Subject Title</b>	<b>EAST DUNBARTONSHIRE COUNCIL – INTERNAL AUDIT PLANNING 2020/21</b>
<b>Report By</b>	<b>Jean Campbell, Chief Finance &amp; Resources Officer</b>
<b>Contact Officer</b>	<b>Gillian McConnachie, HSCP Chief Internal Auditor, EDC Audit &amp; Risk Manager 0141 574 5642</b>

<b>Purpose of Report</b>	The purpose of this report is to advise Members of the Performance, Audit and Risk committee of the planning process, and to set out the planned allocation of resources, types of work and areas of audit activity that will support the finalisation of the 2020/21 Internal Audit Plan.
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<b>Recommendations</b>	The Performance, Audit & Risk Committee is asked to: <ul style="list-style-type: none"> <li>a) Note the approach adopted to produce the 2020/21 Internal Audit Annual Plan;</li> <li>b) Commits to receiving a more detailed analysis of audit assignments relevant to the Health &amp; Social Care Partnership.</li> </ul>
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<b>Relevance to HSCP Board Strategic Plan</b>	None directly.
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**Implications for Health & Social Care Partnership**

<b>Human Resources:</b>	The report details the resource commitment required to deliver the internal audit plan. 805 working days are assumed to be available for the completion of audits in 2020/21. This represents continued organisation investment in the assurance provided through Internal Audit, with no change in the number of days allocated year on year.
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<b>Equalities:</b>	Where applicable these are referenced in the body of internal audit reports with associated management actions for improvement.
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<b>Financial:</b>	None.	
<b>Legal:</b>	Legal risks are presented in the body of internal audit reports with reference to relevant legislation where appropriate.	
<b>Economic Impact:</b>	Nil	
<b>Sustainability:</b>	Nil	
<b>Risk Implications:</b>	This report provides an outline of the risk based internal audit approach for the HSCP's 2020/21 internal audit plan.	
<b>Implications for East Dunbartonshire Council:</b>	The full internal audit plan will be presented to East Dunbartonshire Council's Audit & Risk Management Committee at a later date.	
<b>Implications for NHS Greater Glasgow &amp; Clyde:</b>	Nil.	
<b>Direction Required to Council, Health Board or Both</b>	<b>Direction To:</b>	
	<b>1.1 No Direction Required</b>	<b>X</b>
	<b>1.2 East Dunbartonshire Council</b>	
	<b>1.3 NHS Greater Glasgow &amp; Clyde</b>	
	<b>1.4 East Dunbartonshire Council and NHS Greater Glasgow and Clyde</b>	

<b>MAIN REPORT</b>	
1.1	The Local Authority Accounts (Scotland) Regulations 2014 require that the Council operates a professional and objective internal auditing service in accordance with recognised standards and practices.
1.2	The Council's Internal Audit Team discharge these requirements, setting out a plan of activity that demonstrates such standards and practices are in place within the Internal Audit service and that subsequent assurances can be provided to stakeholders including the HSCP.
1.3	The Council's Audit & Risk Manager is responsible for developing the annual Internal Audit Plan (the Plan) which sets out the priorities of the team for the year and is consistent with organisational priorities, risks and relevant audit standards.
1.4	The development of the Plan for 2020/21 was initiated in November 2019 when Internal Auditors identified the Council and the HSCP's key priorities and risks and liaised with Executive Officers and Senior Management. This work informed the development of an initial Plan, which has been designed to take into account key Corporate and Strategic priorities and their associated risks.

- 1.5 The initial Plan also considers the team's understanding of the current control environment which has been evaluated through ongoing system, regularity and risk based audit work as well as through the programme of controlled self-assessment activities. The Plan also considers the impact of future changes in legislation, introduction of good practice guidance and the work of our external scrutiny partners.
- 1.6 Public Sector Internal Audit Standards (PSIAS) require that the Internal Audit Plan be reviewed and approved by Senior Management and 'the board'. This report sets out the background and context within which the planning process is undertaken and provides an overview of how Internal Audit resources will be allocated for the financial year. Members are asked to approve the allocation of resources in *Tables 1, 2 & 3* as it relates to the HSCP and commit to receiving a more detailed analysis of the Plan at a future date.
- 1.7 Internal Audit activity is governed by the policies, procedures, rules and regulations established by the Council, including its Financial Regulations and other policies such as whistleblowing, fraud and irregularity. The Internal Audit team is required to conform to the requirements of the PSIAS and, in order to demonstrate compliance and good practice, subsequent detail is provided in direct reference to these standards.

### **Internal Audit Planning**

#### **The Internal Audit Plan (*PSIAS Standard 2010*)**

- 1.8 The Plan for 2020/21 is based on a documented risk assessment process. The process uses existing Corporate and Strategic Area Risk Registers, the expectations of stakeholders and input from Senior Officers whilst considering the Performance Management Framework and outcomes. Auditors place reliance on the actions being taken to manage key risks, as well as using the corporate and strategic area risk registers as a source for identifying areas of potential audit activity.
- 1.9 The Plan takes into account the requirement to produce an annual audit opinion. This opinion is delivered through the statement on the adequacy and effectiveness of the Council's framework of governance, risk management and internal controls. This statement will be included within the 'Internal Audit Annual Report' due to be presented to relevant audit committees following the end of the financial year in June and is used to inform the governance statement included in the annual accounts.
- 1.10 The Plan is linked to the Internal Audit Charter and the Business Improvement Plan, ensuring that activities are consistent with existing direction, organisational objectives and priorities.
- 1.11 The Internal Audit team also provides consultancy work, on the basis that it improves management of risks, adds value and improves operations. Provision for the completion of two consultancy notes relating to areas under the strategic direction of the HSCP is included in the planned activities for the year.

#### **Audit Resources (*PSIAS Standard 2030*)**

- 1.12 The Plan ensures that resources are appropriate, sufficient and effectively deployed to both achieve the desired outcomes and provide required assurances to stakeholders.
- 1.13 PSIAS provides further definitions of each of the above requirements with appropriate reference to the mix of knowledge, skills and other competencies needed to perform the Plan. Sufficient refers to the quantity of resources needed to accomplish the Plan. Resources are effectively deployed when they are used in a way that optimises the achievement of the approved Plan.

- 1.14 The Plan is developed to ensure that staff availability, qualifications, experiences and skills are sufficient and appropriate. The process is supported by the Council's Performance Development Review (PDR) framework, providing an ongoing mechanism to assess the effectiveness of staff in their roles and supporting future developments through training.
- 1.15 The Audit & Risk Manager shall continually review the available resources to ensure that the Plan continues to be achievable. Current resources have been taken into account in establishing the Plan; however, the impact of uncertain or unanticipated resource changes may need to be reported to Members where this impacts on the ability of the team to deliver the plan.

**Coordination with External Scrutiny Bodies (PSIAS Standard 2050)**

- 1.16 The Audit & Risk Manager is required to share information with other providers of assurance and consulting services to ensure proper coverage and minimise duplication of efforts.
- 1.17 In preparing the Plan, the Audit & Risk Manager met with External auditors in November 2019 to ensure that external auditors place reliance on Internal Audit's work where possible, to reduce duplication of effort.

**2020/21 Audit Work (PSIAS Standard 2100)**

- 1.18 Internal Audit activity must evaluate and contribute to the improvement of governance, risk management and control processes using a systematic and disciplined approach, as outlined in the Internal Audit Charter.
- 1.19 Planned audit work includes consideration of a number of different types of audit assignments including systems, regularity, irregularity, consultancy and IT. This varied application of audit resources ensures that different aspects of Council business have been subjected to testing with assurances being sought over a range of activities.
- 1.20 The planned number of days allocated to each audit area and corresponding outputs are shown below in *Table 1*. *Table 2* shows how these resources will be applied across the Council and its partners with *Table 3* providing a further breakdown of the allocation of resources to Audit development.

**TABLE 1 – Planned Internal Audit Allocations and Outputs**

Audit Area	Outputs	Days
Systems	15	385
Regularity	10	165
Irregularity	1	30
Consultancy	9	200
ICT	1	25
<b>Total</b>	<b>36</b>	<b>805</b>



**TABLE 2 – Planned Internal Audit Allocations by Council Structure**

Council Area	Days Allocated
Assets & Facilities	40
CFO	50
Customer & Digital Services	35
EDC	121
Education	35
Housing	75
HSCP	145
Leisure Trust	20
Neighbourhood Services	34
Organisational Transformation	95
Place & Community	20
Place & Community/ CFO	25
Roads & Environment	50
TBC	60
<b>Total</b>	<b>805</b>

**TABLE 3 – Planned Internal Audit Allocations to Audit Development**

Audit Area	Days
Training & Research	77
Supervision & Management	31
Administration	61
PSIAS Quality Assessment & Review	15
Performance Monitoring & Reporting	37
<b>Total</b>	<b>221</b>

1.21 With continuing demand and financial pressures, areas of risk within the HSCP provide a focus for internal audit activity, with the Audit & Risk Manager of the Council providing a dual role as the Chief Internal Auditor of the H&SCP. The specific areas of Social Work Charging, HSCP Directions, Home Care, Carefirst Data Controls and Children's services ring fences funds have been identified for audit. An additional audit will be performed on HSCP Key Controls, with an exact area of focus to be determined following the conclusion of ongoing internal audit and management work in relation to Social Work Contract Awarding.

Agenda Item Number: 5

**EAST DUNBARTONSHIRE HEALTH & SOCIAL CARE PARTNERSHIP PERFORMANCE,  
AUDIT & RISK COMMITTEE**

<b>Date of Meeting</b>	<b>18<sup>th</sup> June 2020</b>
<b>Subject Title</b>	<b>Unaudited Draft Annual Accounts 2019/20</b>
<b>Report By</b>	<b>Jean Campbell, Chief Finance &amp; Resources Officer Tel: 0300 1234510 Ext 3221</b>
<b>Contact Officer</b>	<b>Jean Campbell, Chief Finance &amp; Resources Officer Tel: 0300 1234510 Ext 3221</b>

<b>Purpose of Report</b>	To update the Committee on the financial out turn for 2019/20 and present the draft Annual Accounts.
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<b>Recommendations</b>	The Integration Joint Board is asked to: <ol style="list-style-type: none"> <li>a. Approve the local code of governance against which the IJB will measure itself in the Annual Governance Statement for 2019/20.</li> <li>b. Note the unaudited Accounts for 2019/20.</li> </ol>
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<b>Relevance to HSCP Board Strategic Plan</b>	The Strategic Plan is dependent on effective management of the partnership resources and directing monies in line with delivery of the plan.
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**Implications for Health & Social Care Partnership**

<b>Human Resources</b>	None
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<b>Equalities:</b>	None
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<b>Financial:</b>	The performance during the year has generated a deficit on budget to the extent that the partnership has had to rely on the use of limited general reserves available and a re-designation of elements of earmarked reserves to support a balanced budget for the financial year. This has not required an additional contribution from East Dunbartonshire Council as anticipated, however leaves the partnership with no general reserve provision moving forward to manage unforeseen circumstances that may arise. The partnership continues to hold a level of earmarked reserves through Scottish Government funding to meet specific priorities which align to the delivery of the Strategic Plan.
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<b>Legal:</b>	None.
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<b>Economic Impact:</b>	None
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<b>Sustainability:</b>	The financial position of the partnership provides no resilience in the short term to meet the ongoing financial challenges in relation to demand and cost increases throughout the year and any delays in delivering the level of transformation agreed to deliver a balanced position for 2020/21, albeit elements of this have been attributed to and included within Covid mobilisation plans. Work will continue in collaboration with Council Transformation colleagues to identify opportunities for future transformation and service redesign which ensure services are delivered within the financial framework available to the HSCP.
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<b>Risk Implications:</b>	There are a number of financial risks moving into future years given the rising demand and cost pressures in the context of reducing budgets which will require effective financial planning and transformation activity to ensure financial balance as we move forward.
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<b>Implications for East Dunbartonshire Council:</b>	The lack of partnership reserves to meet unexpected in year financial pressures will increase the likelihood that the partnership will have to rely on additional contributions from the statutory partners in line with the terms within the Integration Scheme.
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<b>Implications for NHS Greater Glasgow &amp; Clyde:</b>	The lack of partnership reserves to meet unexpected in year financial pressures will increase the likelihood that the partnership will have to rely on additional contributions from the statutory partners in line with the terms within the Integration Scheme.
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<b>Direction Required to Council, Health Board or Both</b>	<b>Direction To:</b>	
	<b>1. No Direction Required</b>	
	<b>2. East Dunbartonshire Council</b>	
	<b>3. NHS Greater Glasgow &amp; Clyde</b>	
	<b>4. East Dunbartonshire Council and NHS Greater Glasgow and Clyde</b>	<b>x</b>

## MAIN REPORT

### 1.0 2019/20 Annual Accounts

- 1.1 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.
- 1.2 This will be the fifth set of Annual Report and Accounts produced for the HSCP Board.
- 1.3 LASAAC [The Local Authority (Scotland) Accounts Advisory Committee] has produced additional guidance on accounting for the integration of health and social care. The annual accounts for the IJB will be prepared in accordance with appropriate legislation and guidance.
- 1.4 Audit Scotland have also produced a good practice note on improving IJB Accounts and this has been reviewed in preparing the annual report and accounts.
- 1.5 The regulations state that the unaudited accounts are submitted to the External Auditor no later than 30<sup>th</sup> June immediately following the financial year to which they relate. The IJB or committee whose remit includes audit and governance must meet to consider the unaudited annual accounts as submitted to the external auditor no later than the 31<sup>st</sup> August immediately following the financial year to which the annual accounts relate.
- 1.6 The regulations require a number of key documents (within the annual accounts) to be signed by the Chair of the IJB, the Chief Officer and the Chief Financial Officer, namely:

Management Commentary / Foreword	Chair of the IJB Chief Officer
Statement of Responsibilities	Chair of the IJB Chief Financial & Resources Officer
Annual Governance Statement	Chair of the IJB Chief Officer
Remuneration Report	Chair of the IJB Chief Officer
Balance Sheet	Chief Financial & Resources Officer

- 1.7 The IJB is responsible for ensuring that its business is conducted in accordance with the law appropriate to standing, safeguarding public funds and assets and making arrangements to ensure best value. In order to demonstrate this, an annual governance statement is produced each year and included with the Annual Accounts. The IJB is required to review the effectiveness of the control environment annually and these features in the annual governance statement.

1.8 The main messages from the Annual Report and Accounts in relation to the financial performance of the HSCP during 2019/20 are:

- The partnership incurred a deficit during 2019/20 of £0.2m. This includes the impact of additional Scottish Government Funding throughout the year which will be taken to ear marked reserves and allocated for the purpose the funding was provided. The actual over spend on services is therefore nearer £0.6m, after adjusting for the impact of this specific funding.
- This represents a positive movement from that reported in Month 10 of £1.3m (Month 10 projected a £1.9m deficit) and relates in the main to :
  - Fleet Recharges for use of vehicles to support aspects of social work service delivery were less than anticipated - £141k
  - The outcome of audits related to direct payments for individuals directing their own care provided a number of refunds of monies in the final stages of the year - £217k
  - Housing recharges for Private Sector Housing Grants and Care & Repair services were lower than budgeted levels - £386k
  - Recharges for bad debt provision were less than anticipated due to a lower level of outstanding debt in the final periods of the year - £265k
  - Prescribing costs saw a further downturn in the final months of the year with the impact of Covid\_19 costs assumed to be met from funding through the SG - £98k.
  - A downturn in care packages for social work services in the final periods of the year - £90k
  - A downturn in kinship, fostering and residential costs in the final periods of the year - £37k
  - Other positive movement in relation to NHS community expenditure as a result of further vacancies, equipment and additional funding to support smoking cessation - £70k
- In order to balance the budget for 2019/20, the HSCP had already provided for the re-designation of earmarked reserves in respect of Prescribing (£145k) and Oral Health (£200k) and following a review of earmarked reserves at year end , re-designated a further( £218k) related to monies set aside to support transformation and service redesign. The HSCP also applied the limited general reserves available of (£41k) which provides a total of £0.6m applied from reserves to balance the year end position.
- There are no remaining general reserves and the level of earmarked reserves remaining is £0.8m and covers specific funding provided by the SG in relation to:

○ Self Directed Support (SDS)	£0.077m
○ Integrated Care Funding	£0.307m
○ Primary Care Improvement Plan	£0.195m
○ Primary Care Cluster Funding	£0.039m
○ Action 15 Mental Health Strategy	£0.108m
○ Alcohol and Drugs Partnerships	£0.038m
○ Technology Enabled Care	£0.011m
○ Infant Feeding	£0.013m

○ CHW Henry Programme	£0.015m
○ <b>TOTAL</b>	<b>£0.803m</b>

- The main areas of budget pressure for the HSCP during the year are set out below:

#### Older People Services (£2.8m over spend)

The overall pressures relate to ongoing demand and cost pressures exceeding the available budget for 2019/20, particularly in the area of older people's social care.

These were a result of adverse payroll variances particularly in relation to homecare as a consequence of reliance on overtime and use of agency to ensure continuity of service delivery to cover vacancies, sickness and absence; challenging savings plans predicated on the redesign of homecare services and which were not achieved in year; increased activity levels placing demand pressures on older people care homes, homecare, supported living and day-care (alternatives) and contractual increases in relation to the care at home framework and national care home contracts beyond that which was provided for within the budget. These pressures arose as a direct result of the growing demand from an ageing population requiring support from social work services to maintain independent living within the community or within a care home setting.

A review of care at home services during the year has determined that a locality based approach supported through a balance of usage of externally purchased services will deliver a sustainable care at home service going forward. This is in the process of being implemented internally with external provision subject to re-tendering exercise with resort to the national Scotland Excel Framework to deliver this element of the service.

#### Adults – Learning Disability, Mental Health, Addiction Services (£0.1m under spend)

There were some pressures in the area of learning disability in relation to the impact of the delay in delivering savings within the Pineview service, taxi provision to support individuals with a learning disability to access services and costs associated with agency staff to cover statutory mental health officer functions. This was offset through a downturn in residential accommodation within addiction recovery services, recharges for fleet provision and savings achieved through vacancies across community health services within this care group area. The implementation of the new Access to Transport policy and progression of the learning disability review will mitigate pressures in this area going forward.

#### Children & Families (£0.3m under spend)

There were some pressures in relation to externally purchased foster placements, kinship payments and health vesting staff costs, this was offset through robust vacancy management across Children's social work and residential services.

#### Business Support (£1.3m under spend)

There were some pressures on accommodation costs within the Kirkintilloch Health & Care Centre and Lennoxton Hub, this was offset through additional funding above anticipated levels in relation to the improved health offer, continuing care, support to veterans, carers funding and the positive impact of improved bad debt provisions.

#### Prescribing (£0.5m under spend)

There are a number of points to note in respect of prescribing, namely:-

- The cost per drugs is increasing on average by 9.36% for East Dunbartonshire based on the types of drugs being dispensed and this is expected to continue.

- The overall performance on prescribing is being driven largely by volumes with an average decline in volumes over the year of 6% compared to that forecast at the budget planning stage.
- This is set in the context of increasing list sizes for East Dunbartonshire having seen an increase of 1.06% since the same period last year.
- There were savings from discounts (patented drugs) and discount clawback (generic drugs) in 2019/20 which had a positive impact on this budget

Other Services (£0.4m under spend)

There was a positive variation on other budgets delegated to the partnership relating to private sector housing grants and care & repair services delivered through the Council's housing service.

- 1.9 In April 2016, CIPFA / SOLACE published a report entitled 'Delivering Good Governance in Local Government: Framework'. The objective of this framework is to help local government in taking responsibility for developing and shaping an informed approach to governance, aimed at achieving the highest standards in a measured and proportionate way. This document is written in a local authority context, however most of the principles are applicable to the IJB, particularly as the legislation recognises the partnership (IJB) body as a local government body under Part V11 of the Local Government (Scotland) Act 1973.
- 1.10 A review has been undertaken and is included as **Appendix 1**. Many of the assurances are reliant on documents which belong to NHS GG&C and East Dunbartonshire Council which is appropriate given decisions taken by the IJB require being taken in collaboration with partner organisations.
- 1.11 A copy of the Draft Annual Accounts 2019/20 including the Annual Governance Statement is attached as **Appendix 2**.

## APPENDIX 1

### East Dunbartonshire Health & Social Care Partnership Board Local Code of Good Governance – Assurance Review & Assessment

Owner: Chief Finance & Resources Officer

Status: Draft

Approval Date:

Review Date: 25/05/20

Governance Principle		Level of Compliance (Fully; Partial; or Not)	
Behaving with integrity, demonstrating strong commitment to ethical values and representing the rule of the law.		Fully Compliant	
Sources of Assurance			
Partnership Board	EDC	NHSGGC	
<ul style="list-style-type: none"> <li>Integration Scheme</li> <li>Governance Arrangements, Structures and Terms of Reference (Partnership Board and Performance, Audit &amp; Risk Committee)</li> <li>Standing Orders</li> <li>Code of Conduct</li> <li>Local Code of Good Governance</li> <li>Declaration of Interests</li> <li>Minutes of meetings of Partnership Board and Performance, Audit &amp; Risk Committee</li> <li>Strategic Plan 2018-2021</li> <li>HSCP Vision &amp; Values Statement</li> <li>Workforce &amp; Organisational Development Strategy - Health &amp; Social Care Partnership Board Development</li> <li>Participation &amp; Engagement Strategy</li> <li>Strategic Partnership Agreements</li> <li>Financial Regulations</li> <li>Annual Accounts (including Governance Statement, Statement of Income and Expenditure and Balance Sheet)</li> </ul>	<ul style="list-style-type: none"> <li>Standing Orders</li> <li>Scheme of Delegation</li> <li>Governance Arrangements and Reporting (including Management Structures, Groups and Forums)</li> <li>Statutory Officers and Statutory Appointments</li> <li>Financial Regulations/Procedures</li> <li>Financial Reporting and Scrutiny across Management Structures (e.g., budget monitoring)</li> <li>Social Work Professional Governance and Integrated Clinical and Professional Governance arrangements and reporting</li> <li>Chief Social Work Officer Annual Report</li> <li>Information Governance (including Freedom of Information, Records Management Plan, Information Sharing and Information and Physical Security)</li> <li>Employee Code of Conduct</li> <li>HR Policies and Procedures (including Whistleblowing Policy)</li> <li>Declaration of Interests (required staff)</li> <li>Gifts and Hospitality Declaration</li> </ul>	<ul style="list-style-type: none"> <li>Standing Orders</li> <li>Schedule of Reserved Decisions</li> <li>Scheme of Delegation and Standing Financial Instructions</li> <li>Governance Arrangements and Reporting (including Management Structures, Groups and Forums)</li> <li>Financial Procedures</li> <li>Financial Reporting and Scrutiny across Management Structures</li> <li>Clinical Governance and Integrated Clinical and Professional Governance Arrangements and Reporting</li> <li>Information Governance (Freedom of Information, Records Management, Information Sharing and Information Security)</li> <li>Staff Survey (iMatters)</li> <li>Employee Conduct Policy</li> <li>NHSGGC Board Members Code of Conduct</li> <li>eKSF Processes/Objective Setting</li> <li>HR Policies and Procedures (including Whistleblowing Policy)</li> </ul>	



Governance Principle		Level of Compliance (Fully; Partial; or Not)
Behaving with integrity, demonstrating strong commitment to ethical values and representing the rule of the law.		Fully Compliant
Sources of Assurance		
Partnership Board	EDC	NHSGGC
<ul style="list-style-type: none"> <li>• Annual Audit Report 2018/19 by Audit Scotland as external (third party) auditors</li> <li>• Audit Plans (Internal and Third Party)</li> <li>• Information Governance (including Freedom of Information, Information Sharing and Publication Scheme)</li> <li>• Complaints Handling Procedure</li> <li>• Equalities Mainstream Report</li> <li>• Impact Assessment Framework (including EQIAs, SEIA, Risk Assessments, Data Impact Assessments)</li> <li>• Integrated Clinical and Care Governance Arrangements and Reporting</li> <li>• Internal Audit Report of the Partnership Board's Governance, Performance and Financial Management Arrangements</li> <li>• Corporate Risk Register</li> <li>• HSCP Risk Management Plan</li> </ul>	<ul style="list-style-type: none"> <li>• Anti-Bribery/Fraud Policy</li> <li>• Complaints Handling Procedure</li> <li>• Impact Assessment Framework (including EQIAs, SEIA, Risk Assessments, Data Impact Assessments)</li> <li>• Health and Safety Arrangements (including policies and procedures and audits)</li> <li>• Workforce Plan (including Organisational Development Strategy)</li> <li>• Supervision and Personal Development Plan Framework</li> <li>• Staff Induction</li> <li>• Staff Survey</li> <li>• Communications Strategy</li> <li>• Staff Engagement Opportunities</li> <li>• Risk Register</li> <li>• Risk Management Plan</li> </ul>	<ul style="list-style-type: none"> <li>• Complaints Handling Procedure</li> <li>• Impact Assessment Framework (including EQIAs, SEIA, Risk Assessments, Data Impact Assessments)</li> <li>• Health and Safety Arrangements (including policies and procedures and audits)</li> <li>• Workforce Plan (including Organisational Development Strategy)</li> <li>• Supervision and Personal Development Plan Framework</li> <li>• Staff Induction</li> <li>• Staff Survey</li> <li>• Communications Strategy</li> <li>• Staff Engagement Opportunities</li> <li>• Risk Register</li> <li>• Risk Management Plan</li> </ul>

Governance Principle	Level of Compliance (Fully; Partial; or Not)	
Ensuring openness and comprehensive stakeholder engagement.	Fully Compliant	
Sources of Assurance		
Partnership Board	EDC	NHSGGC
<ul style="list-style-type: none"> <li>• Governance Arrangements and Structure (Partnership Board and Performance, Audit &amp; Risk Committee)</li> <li>• Partnership Board Membership (incl. Stakeholder Members for patients/service users, carers, third sector and Trade Unions)</li> <li>• Publication of Partnership Board and Performance, Audit &amp; Risk Committee papers and minutes of public meetings</li> <li>• Strategic Plan 2018-21</li> <li>• Annual and Quarterly Public Performance Report</li> <li>• On-going Development of Other Strategies/Plans (e.g. Unscheduled Care Commissioning)</li> <li>• Strategic Partnership Agreements</li> <li>• Locality Group Work Plans</li> <li>• Participation and Engagement Strategy</li> <li>• Equalities Mainstreaming Report</li> <li>• Locality Engagement Networks</li> <li>• Information Governance (including Freedom of Information, Information Sharing and Publication Scheme)</li> <li>• Complaints Handling Procedure</li> <li>• HSCP website</li> <li>• Public, Service User and Carer Support Group</li> <li>• HSCP Staff Partnership Forum</li> </ul>	<ul style="list-style-type: none"> <li>• Governance Arrangements and Reporting (including Management Structures, Groups and Forums)</li> <li>• Strategic Planning arrangements</li> <li>• Performance Management Framework and Reporting (HGIOS)</li> <li>• Information Governance (Freedom of Information, Records Management and Information Sharing)</li> <li>• Publication of Committee papers</li> <li>• Workforce Plan (including Organisational Development Strategy)</li> <li>• Supervision Framework</li> <li>• Staff Survey</li> <li>• Practice Governance (social care) arrangements</li> <li>• Communications Strategy</li> <li>• Equalities Arrangements (including EQIAs)</li> <li>• Trade Union liaison and engagement (JNG)</li> </ul>	<ul style="list-style-type: none"> <li>• NHSGGC Feedback Service</li> <li>• NHSGGC Local Delivery Plan</li> <li>• Governance Arrangements and Reporting (including Management Structures, Groups and Forums)</li> <li>• Performance Management Framework and Reporting</li> <li>• Information Governance (including Freedom of Information, Records Management, Information Sharing and Information Security)</li> <li>• Publication of Board papers</li> <li>• Workforce Plan (including Organisational Development Strategy)</li> <li>• Supervision Framework</li> <li>• Staff Governance Framework</li> <li>• Staff Survey (iMatters)</li> <li>• Communications Strategy</li> <li>• Staff Engagement Opportunities</li> <li>• Equalities Arrangements (including EQIAs)</li> <li>• Trade Union liaison and engagement</li> </ul>



Governance Principle		Level of Compliance (Fully; Partial; or Not)	
Defining outcomes in terms of sustainable economic, social and environmental benefits.		Fully Compliant	
Sources of Assurance			
Partnership Board	EDC		NHSGGC
<ul style="list-style-type: none"> <li>• Strategic Plan 2018-21</li> <li>• Annual and Quarterly Performance Report</li> <li>• On-going Development of Other Strategies/Plans (e.g. Unscheduled Care Commissioning)</li> <li>• Locality Group Work Plans</li> <li>• Participation and Engagement Strategy</li> <li>• Equalities Mainstreaming Report</li> <li>• Locality Engagement Networks</li> <li>• Performance Management Framework and Reporting</li> <li>• Annual and Quarterly Public Performance Report</li> </ul>	<ul style="list-style-type: none"> <li>• Strategic Planning arrangements</li> <li>• Governance Arrangements and Reporting (including Management Structures, Groups and Forums)</li> <li>• Performance Management Framework and Reporting</li> <li>• Annual Performance Report</li> </ul>	<ul style="list-style-type: none"> <li>• NHSGGC Local Delivery Plan</li> <li>• Governance Arrangements and Reporting (including Management Structures, Groups and Forums)</li> <li>• Performance Management Framework and Reporting</li> <li>• Annual Performance Report</li> </ul>	

Governance Principle	Level of Compliance (Fully; Partial; or Not)	
Determining the interventions necessary to optimise the achievement of intended outcomes.	Fully Compliant	
Sources of Assurance		
Partnership Board	EDC	NHSGGC
<ul style="list-style-type: none"> <li>• Strategic Plan 2018-21 (including financial plan)</li> <li>• Risk Management Strategy and Procedure and Reporting</li> <li>• Integrated Corporate Risk Register</li> <li>• Business Continuity Plan</li> <li>• Preparation of Budgets in accordance with Strategic Plan</li> <li>• Budget Monitoring and Reporting</li> <li>• Approved savings, transformation and recovery Plans</li> <li>• Annual and Quarterly Public Performance Reports</li> <li>• Performance Management Framework and Reporting to SMT</li> <li>• Audit Plans and Assurance (Internal and Third Party)</li> <li>• On-going Development of Other Strategies/Plans (e.g. Unscheduled Care Commissioning, Fair Access to Community Care)</li> <li>• Clinical and Care Governance Arrangements and Reporting</li> <li>• Information Governance (including Freedom of Information, Information Sharing and Publication Scheme)</li> </ul>	<ul style="list-style-type: none"> <li>• Strategic Planning arrangements</li> <li>• Risk Management Strategy and Procedure and Reporting</li> <li>• Resilience Plans and Arrangements (Business Continuity and Emergency Plans)</li> <li>• Preparation of Budgets in accordance with organisational objectives, strategies and the medium term financial plan</li> <li>• Budget Monitoring and Reporting</li> <li>• Medium Term Financial Strategy</li> <li>• Performance Management Framework and Reporting</li> <li>• Audit Plans and Assurance (Internal and Third Party)</li> <li>• Social Work Professional Governance and Integrated Clinical and Professional Governance arrangements and reporting</li> <li>• Information Governance Assurance (including Freedom of Information, Records Management, Information Sharing and Information and Physical Security)</li> <li>• Health and Safety Arrangements (including policies and procedures and audits)</li> </ul>	<ul style="list-style-type: none"> <li>• NHSGGC Local Delivery Plan</li> <li>• Risk Management Strategy and Procedure and Reporting</li> <li>• Resilience Plans and Arrangements (Business Continuity and Emergency Plans)</li> <li>• Budget Monitoring and Reporting</li> <li>• Preparation of Budgets in accordance with organisational objectives and strategies</li> <li>• Performance Management Framework and Reporting</li> <li>• Audit Plans and Assurance (Internal and Third Party)</li> <li>• Clinical Governance and Integrated Clinical and Professional Governance Arrangements and Reporting</li> <li>• Information Governance Assurance (including Freedom of Information, Records Management, Information Sharing and Information Security)</li> <li>• Health and Safety Arrangements (including policies and procedures and audits)</li> </ul>

Governance Principle		Level of Compliance (Fully; Partial; or Not)	
Developing the entity's capacity, including the capability of its leadership and individuals within it.		Fully Compliant	
Sources of Assurance			
Partnership Board	EDC		NHSGGC
<ul style="list-style-type: none"> <li>• Standing Orders</li> <li>• Code of Conduct</li> <li>• Scheme of Delegation</li> <li>• Local Code of Good Governance</li> <li>• Workforce &amp; Organisational Development Strategy - Health &amp; Social Care Partnership Board Development</li> <li>• Complaints Handling Procedure</li> <li>• Equalities Mainstream Report</li> <li>• Integrated Clinical and Care Governance Arrangements and Reporting</li> <li>• Joint Management Teams</li> <li>• Extended Senior Management Teams</li> <li>• Vision &amp; Values Statement and engagement and communication across teams</li> <li>• Leadership development programmes</li> <li>• Development Programme for IJB members.</li> <li>• Internal Audit Report of the Partnership Board's Governance, Performance and Financial Management Arrangements</li> </ul>	<ul style="list-style-type: none"> <li>• Workforce Plan (including Organisational Development Strategy)</li> <li>• Governance Arrangements and Reporting (including Management Structures, Groups and Forums)</li> <li>• Scheme of Delegation</li> <li>• Elected Member Induction</li> <li>• Staff Induction</li> <li>• Leadership and Staff Development and Training Opportunities</li> <li>• Supervision and Personal Development Plan Framework</li> <li>• Staff Groups for Equalities and Diversity</li> <li>• Trade Union liaison and engagement (JNG)</li> </ul>		<ul style="list-style-type: none"> <li>• Workforce Plan (including Organisational Development Strategy)</li> <li>• Governance Arrangements and Reporting (including Management Structures, Groups and Forums)</li> <li>• Clinical and Care Governance Arrangements and Reporting</li> <li>• Board Members Induction</li> <li>• Staff Induction</li> <li>• Leadership, First Line Management and Staff Development and Training Opportunities</li> <li>• Supervision and Personal Development Plan Framework</li> <li>• Staff Groups for Equalities and Diversity</li> <li>• Trade Union liaison and engagement</li> </ul>

Governance Principle		Level of Compliance (Fully; Partial; or Not)	
Managing risk and performance through robust internal control and strong public financial management.		Fully Compliant	
Sources of Assurance			
Partnership Board	EDC		NHSGGC
<ul style="list-style-type: none"> <li>• Integration Scheme</li> <li>• Financial Regulations</li> <li>• Standing Orders</li> <li>• Performance, Audit &amp; Risk Committee – Terms of Reference and scrutiny</li> <li>• Annual Accounts (including Governance Statement, Statement of Income and Expenditure and Balance Sheet)</li> <li>• Annual Audit Report (Audit Scotland)</li> <li>• Annual Governance Statement</li> <li>• Strategic Plan (including financial plan aligned to Strategic Plan)</li> <li>• Risk Management Strategy and Procedure and Reporting</li> <li>• Integrated Corporate Risk Register</li> <li>• Business Continuity Plan</li> <li>• Preparation of budgets in accordance with Strategic Plan</li> <li>• Budget Monitoring and Reporting</li> <li>• Approved savings, transformation and recovery Plans</li> <li>• HSCP Transformation board</li> <li>• Annual and Quarterly Public Performance Reports</li> <li>• Performance Management Framework and Reporting</li> <li>• Audit Plans and Assurance (Internal and Third Party)</li> </ul>	<ul style="list-style-type: none"> <li>• Financial Regulations</li> <li>• Standing Orders</li> <li>• Annual Accounts (including Governance Statement, Statement of Income and Expenditure and Balance Sheet)</li> <li>• Audit Committee – Terms of Reference</li> <li>• Risk Management Strategy and Procedures and Reporting</li> <li>• Anti-Bribery/Fraud Policy</li> <li>• Audit Plans and Assurance (Internal and Third Party)</li> <li>• Annual Governance Statement</li> <li>• Medium Term Financial Strategy</li> <li>• Budget Monitoring and Reporting</li> <li>• Social Work Professional Governance and Integrated Clinical and Professional Governance arrangements and reporting</li> <li>• Information Governance Assurance (including Freedom of Information, Records Management, Information Sharing and Information and Physical Security)</li> <li>• Procurement regulations, training and development</li> <li>• Contract Management Framework</li> <li>• Project Management Framework (Council Transformation Board)</li> </ul>	<ul style="list-style-type: none"> <li>• Schedule of Reserved Decisions</li> <li>• Scheme of Delegation and Standing Financial Instructions</li> <li>• Governance Arrangements and Reporting (including Management Structures, Groups and Forums)</li> <li>• Financial Procedures</li> <li>• Annual Governance Statement</li> <li>• Budget Monitoring and Reporting</li> <li>• Financial Reporting and Scrutiny across Management Structures</li> <li>• Risk Management Strategy and Procedures and Reporting</li> <li>• Fraud Policy</li> <li>• Audit Plans and Assurance (Internal and Third Party)</li> <li>• Clinical and Care Governance Arrangements and Reporting</li> <li>• Information Governance (including Freedom of Information, Records Management, Information Sharing and Information Security)</li> <li>• Financial Improvement Plan and project board</li> </ul>	

Governance Principle		Level of Compliance (Fully; Partial; or Not)	
Managing risk and performance through robust internal control and strong public financial management.		Fully Compliant	
Sources of Assurance			
Partnership Board	EDC	NHSGGC	
<ul style="list-style-type: none"> <li>Clinical and Care Governance Arrangements and Reporting</li> <li>Information Governance (including Freedom of Information, Information Sharing and Publication Scheme)</li> </ul>			

Governance Principle		Level of Compliance (Fully; Partial; or Not)	
Implementing good practices in transparency, reporting and audit to deliver effective accountability.		Fully Compliant	
Sources of Assurance			
Partnership Board	EDC	NHSGGC	
<ul style="list-style-type: none"> <li>Integration Scheme</li> <li>Financial Regulations</li> <li>Governance Arrangements and Structure (Partnership Board and Performance, Audit &amp; Risk Committee )</li> <li>Publication of Partnership Board and Performance, Audit &amp; Risk Committee papers and minutes of public meetings</li> <li>Strategic Plan 2018-21(including financial plan)</li> <li>Annual and Quarterly Public Performance Report</li> <li>Annual Accounts (including Governance Statement, Statement of Income and Expenditure and Balance Sheet)</li> <li>Annual Audit Report</li> </ul>	<ul style="list-style-type: none"> <li>Committee Reporting Framework and Schedule</li> <li>Publication of Committee papers</li> <li>Financial Regulations/Procedures</li> <li>Financial Reporting and Scrutiny across Management Structures (e.g., Budget Monitoring)</li> <li>Annual Accounts (including Governance Statement, Statement of Income and Expenditure and Balance Sheet)</li> <li>Risk Management Strategy and Procedure and Reporting</li> <li>Performance Management Framework and Reporting</li> <li>Annual Performance Report</li> </ul>	<ul style="list-style-type: none"> <li>Committee Reporting Framework and Schedule</li> <li>Publication of Board papers</li> <li>Financial Regulations/Procedures</li> <li>Financial Reporting and Scrutiny across Management Structures (e.g., Budget Monitoring)</li> <li>Annual Accounts (including Governance Statement, Statement of Income and Expenditure and Balance Sheet)</li> <li>Risk Management Strategy and Procedure and Reporting</li> <li>Performance Management Framework and Reporting</li> <li>Audit Plans and Assurance (Internal and Third Party)</li> </ul>	



Governance Principle		Level of Compliance (Fully; Partial; or Not)	
Implementing good practices in transparency, reporting and audit to deliver effective accountability.		Fully Compliant	
Sources of Assurance			
Partnership Board	EDC		NHSGGC
<ul style="list-style-type: none"> <li>• Risk Management Strategy and Procedure and Reporting</li> <li>• Integrated Corporate Risk Register</li> <li>• Business Continuity Plan</li> <li>• Preparation of budgets in accordance with Strategic Plan</li> <li>• Budget Monitoring and Reporting</li> <li>• Approved Savings and Recovery Plans</li> <li>• Annual and Quarterly Public Performance Reports</li> <li>• Management Framework and Reporting</li> <li>• Audit Plans and Assurance (Internal and Third Party)</li> <li>• Clinical and Care Governance Arrangements and Reporting</li> <li>• Information Governance (including Freedom of Information, Information Sharing and Publication Scheme)</li> <li>• HSCP website</li> </ul>	<ul style="list-style-type: none"> <li>• Audit Plans and Assurance (Internal and Third Party)</li> <li>• Social Work Professional Governance and Integrated Clinical and Professional Governance arrangements and reporting</li> <li>• Information Governance (including Freedom of Information, Information Sharing and Publication Scheme)</li> <li>• Council Website</li> </ul>		<ul style="list-style-type: none"> <li>• Clinical and Care Governance Arrangements and Reporting</li> <li>• Information Governance (including Freedom of Information, Information Sharing and Publication Scheme)</li> <li>• Board Website</li> </ul>

Signature

Name: Jean Campbell

Title: Chief Finance & Resources Officer –  
East Dunbartonshire Partnership (Integration  
Joint) Board





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## **MANAGEMENT COMMENTARY**

### **Introduction**

This document contains the financial statements for the 2019/20 operational year for East Dunbartonshire Health & Social Care Partnership (HSCP).

The management narrative outlines the key issues in relation to the HSCP financial planning and performance and how this has provided the foundation for the delivery of the priorities described within the Strategic Plan. The document also outlines future financial plans and the challenges and risks that the HSCP will face in meeting the continuing needs of the East Dunbartonshire population.

### **East Dunbartonshire**

East Dunbartonshire has a population of 108,640 and is a mix of urban and rural communities. It has frequently been reported in quality of life surveys as one of the best areas to live in Scotland based on people's health, life expectancy, employment and school performance. Economic activity and employment rates are high and the level of crime is significantly below the Scottish average. Despite this, inequalities exist across the authority and there are pockets of deprivation where the quality of life falls well below the national average.

East Dunbartonshire has eight datazones which fall into the top 25% most deprived in Scotland; these datazones are located in Hillhead, Lennoxton, Auchinairn, Kirkintilloch West and Milngavie (Keystone / Dougalston). The most deprived area in East Dunbartonshire is Hillhead, certain parts of which are among the 5% most deprived areas in Scotland according to the Scottish Index of Multiple Deprivation 2020 (SIMD).

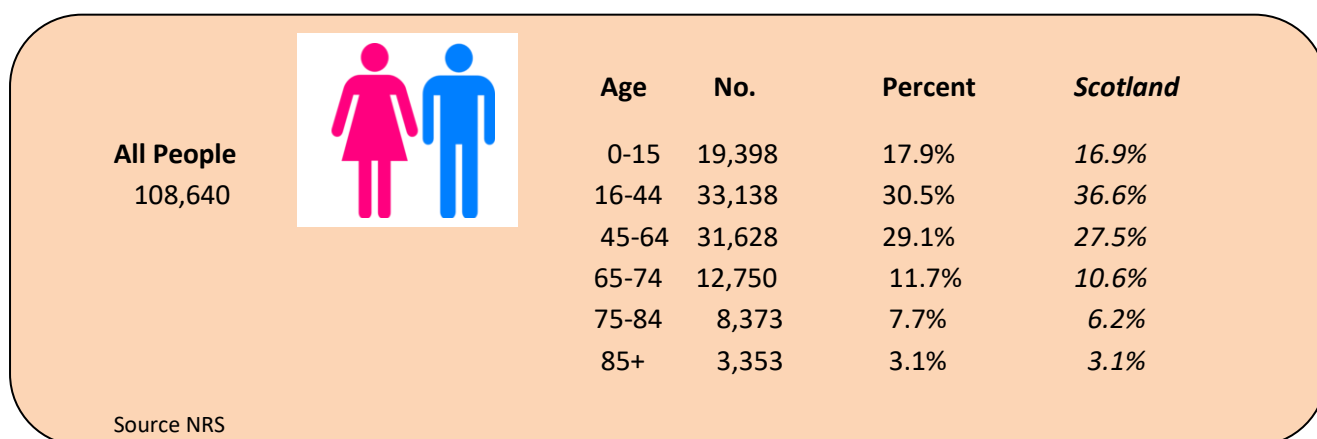
Compared with the rest of Scotland, people living in East Dunbartonshire are relatively healthy. More people take part in sports, fewer smoke and breast feeding rates are higher than the Scottish average. Although East Dunbartonshire is in the highest decile for life expectancy in Scotland for both men and women, there is a 10 year gap of life expectancy in favour of the Westerton area, compared to Hillhead. We also know from Census and population health analysis that the prevalence of disability and long term conditions is considerably higher for people in the areas of relative deprivation. The rate of hospital emergency admissions is also significantly greater amongst East Dunbartonshire's more deprived populations.

In the 2011 Census, 5.6% of the adult population in East Dunbartonshire reported a disability, with hearing impairments and/or physical disability being the main disabilities reported.

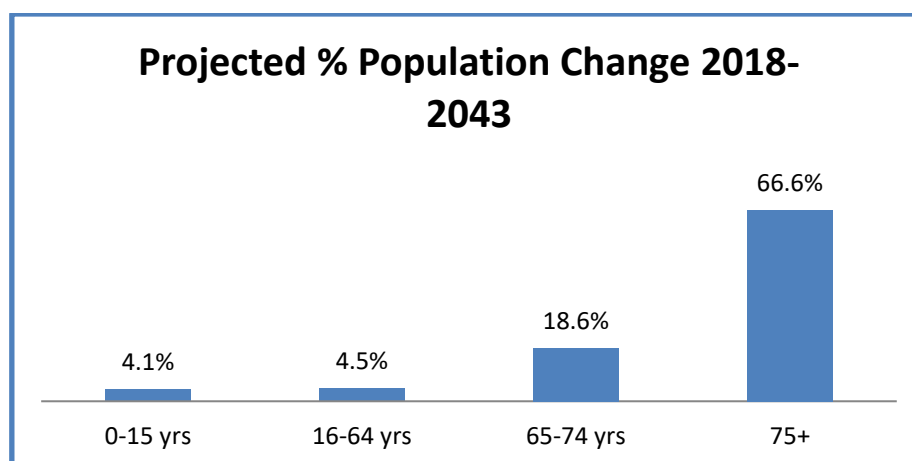
The number of long term conditions rises with age and we need to support those with complex needs so that they may manage their conditions and lead an active, healthy life. The most diagnosed long term condition in East Dunbartonshire is hypertension. The prevalence for this condition, cancer and atria fibrillation, are all notably higher than the rate for Scotland.

The estimated population of East Dunbartonshire in 2019 predicts a higher proportion of older people than the Scottish average.

**Figure 1 Estimated Population in 2019**



East Dunbartonshire has seen a 40% increase in people over the age of 75 since 2002, which is a positive reflection of advances in health and social care, but has placed considerable pressure on services during a period characterised by public sector reform and diminishing resources. With an increase in the frail older population, service pressure has been experienced in both the community and secondary healthcare settings.



Between 2015 -17 there was a reported 11% rise in the number of people with diagnosed dementia and this trend has also been experienced with other age-related conditions.

There has been a significant increase in the number of children being referred to Social Work Services, with 40% increases in referrals reported in the Integrated Children’s Services Plan. Non-engaging families was the most common area of concern alongside neglect, domestic violence and parental alcohol misuse. There has also been a sharp rise in parental mental

health being identified as a significant concern. This is an area of cross-cutting focus between children and adult services.

Demand on services for other adult care groups and for children’s disability services has also increased. The number of young people with disabilities transitioning to adult services is experiencing a notable increase, both numerically and in terms of complexity. This can be demonstrated by an anticipated increase in the Adult Joint Learning Disability Team over the next three years’ as children move on into adult services equivalent to over 7% of its total caseload.

### **The Health & Social Care Partnership**

East Dunbartonshire Health and Social Care Partnership (HSCP) is the common name of East Dunbartonshire Integration Joint Board. It was formally established in September 2015 in accordance with the provisions of the Public Bodies (Joint Working) (Scotland) Act (2014) and corresponding Regulations in relation to a range of adult health and social care services. The partnership’s remit was expanded from an initial focus on services for adults and older people to include services for children and families, and criminal justice services in August 2016.

The HSCP Board, East Dunbartonshire Council (EDC) and NHS Greater Glasgow & Clyde (NHS GG&C) aim to work together to strategically plan for and provide high quality health and social care services that protect children and adults from harm, promote independence and deliver positive outcomes for East Dunbartonshire residents.

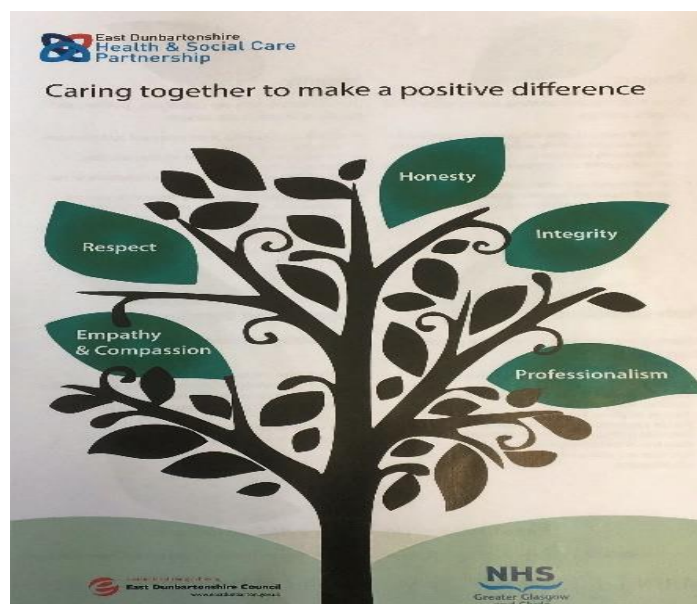
East Dunbartonshire HSCP Board has responsibility for the strategic planning and operational oversight of a range of health and social care services whilst EDC and NHS GG&C retains responsibility for direct service delivery of social work and health services respectively, as well as remaining the employer of health and social care staff.

**Exhibit 1** (below) represents accountability arrangements for the planning and delivery of community health and social care services.



Our partnership vision is “Caring Together to make a Positive Difference” and is underpinned by 5 core values as set out below.

**Exhibit 2**



Our current Strategic Plan covers the period 2018 – 2021 and sets out eight strategic priorities which describe our ambitions to build on the significant improvements already achieved and to further improve the opportunities for people to live a long and healthy life, provide early support to families and young children and focus service on those most vulnerable in our communities.

These priorities are:-

<p><b>PRIORITY 1.</b> Promote positive health and wellbeing, preventing ill-health, and building strong communities</p>	<p><b>PRIORITY 2.</b> Enhance the quality of life and supporting independence for people, particularly those with long-term conditions</p>	<p><b>PRIORITY 3.</b> Keep people out of hospital when care can be delivered closer to home</p>	<p><b>PRIORITY 4.</b> Address inequalities and support people to have more choice and control</p>
<p><b>PRIORITY 5.</b> People have a positive experience of health and social care services</p>	<p><b>PRIORITY 6.</b> Promote independent living through the provision of suitable housing accommodation and support.</p>	<p><b>PRIORITY 7.</b> Improve support for Carers enabling them to continue in their caring role</p>	<p><b>PRIORITY 8.</b> Optimise efficiency, effectiveness and flexibility</p>

This is further supported by a HSCP Transformation Plan outlining the key priorities for service redesign and transformation in delivery of the Strategic Plan and is supported by a range of operational plans, work-streams and financial plans to support delivery. This is also the vehicle



through which the HSCP will seek to deliver financial sustainability over the short to medium term by reconfiguring the way services are delivered within the financial framework available to it.

The Strategic Plan also links to the Community Planning Partnership's Local Outcome Improvement Plan whereby the HSCP has the lead for, or co-leads:

- Outcome 3 – “Our children and young people are safe, healthy and ready to learn”,
- Outcome 5 – “Our people experience good physical and mental health and well being with access to a quality built and natural environment in which to lead healthier and more active lifestyles” and
- Outcome 6 – “Our older population and more vulnerable citizens are supported to maintain their independence and enjoy a high quality of life, and they, their families and carers benefit from effective care and support services”..

Performance is monitored using a range of performance indicators outlined in a performance management framework with quarterly performance reports to the HSCP Board, Community Planning Board and other committees. Service uptake, waiting times and other pressures are closely reviewed and any negative variation from the planned strategic direction is reported to the HSCP Board through exception reporting arrangements which includes reasons for variation and planned remedial action to bring performance back on track.

### **HSCP BOARD OPERATIONAL PERFORMANCE FOR THE YEAR 2019/20**

A full report on performance will be outlined within the East Dunbartonshire HSCP Annual Performance Report 2019/20. Publication of the Annual Performance Report (APR) is normally in place by the end of July each year, but production of APRs have been delayed by agreement nationally due to the impact of the Covid-19 pandemic. At present there has been no agreement on a date by which APRs should be available for publication. As an interim measure, a summary of key performance across HSCP functions and services will be reported to the HSCP Board in June 2020.

Notwithstanding the delay in the production of HSCP APRs, the timing of the preparation of this set of Annual Accounts is ahead of the publication of national performance data for Core Integration Indicators. The performance data provided below is therefore the most up to date annual data available, which relates to the 2018-19 financial year. However transformational change and other qualitative performance updates do relate directly to the 2019-20 period.

Headline performance is summarised below under the following headings:

- *National Core Indicators (most recent published data)*
- *Local Transformational Change and Best Value Improvement Activity*
- *Progress against the “Features Supporting Integration” improvement proposals by Audit Scotland and the Ministerial Strategic Group*
- *Progress against the Joint Strategic Inspection of Adult Services Action Plan*

**National Core Indicators (collected biennially: 2019/20 awaited)**

<b>National Outcome Indicators</b>	<b>2015/16</b>	<b>2017/18</b>	<b>National Rank</b>
Percentage of adults able to look after their health very well or quite well	96%	96%	1st
Percentage of adults supported at home who agree that they are supported to live as independently as possible	86%	84%	1st
Percentage of adults supported at home who agree that they had a say in how their help, care or support was provided	84%	86%	1st
Percentage of adults supported at home who agreed that their health and social care services seemed to be well co-ordinated	73%	84%	3rd
Total percentage of adults receiving any care or support who rated it as excellent or good	86%	84%	6th
Percentage of people with positive experience of the care provided by their GP practice	89%	90%	2nd
Percentage of adults supported at home who agree that their services and support had an impact on improving or maintaining their quality of life	85%	83%	7th
Total combined % carers who feel supported to continue in their caring role	43%	41%	3rd
Percentage of adults supported at home who agreed they felt safe	84%	87%	4th
<b>National Data Indicators</b>	<b>2017/18</b>	<b>2018-19</b>	<b>National Rank</b>
Premature mortality rate for people aged under 75yrs per 100,000 persons	312.5	274	1 <sup>st</sup>
Emergency admission rate (per 100,000 population)	10,787	11,454	17 <sup>th</sup>
Emergency bed day rate (per 100,000 population)	109,384	110,137	14 <sup>th</sup>
Readmission to hospital within 28 days (per 1,000 population)	73	74	2 <sup>nd</sup>
Proportion of last 6 months of life spent at home or in a community setting	89%	89	11 <sup>th</sup>
Falls rate per 1,000 population aged 65+	22	25	25 <sup>th</sup>
Proportion of care services graded 'good' (4) or better in Care Inspectorate inspections	82%	81%	27 <sup>th</sup>
Percentage of adults with intensive care needs receiving care at home	67%	63%	18 <sup>th</sup>
Number of days people aged 75+ spend in hospital when they are ready to be discharged (per 1,000 population)	231	357	7 <sup>th</sup>
Percentage of health and care resource spent on hospital stays where the patient was admitted in an emergency	21%	23%	14 <sup>th</sup>

**Local Transformational Change and Best Value improvement activity during 2019/20**

Initiative	National Outcome
Review of Service and Transport Charging	9
Review of Transport Policy	9
Review of 3rd Sector Grants	9
Review of Sleepovers	4, 9
Development of Enhanced Day Care for adults with a Learning Disability to reduce out of area provision	2, 3, 4, 9
Development of the Smart Flat /TEC	1, 4
Review of Day Care Services	2, 9
Implementation of the new HSCP Fair Access to Community Care Policy	3, 4, 5, 9
Review of Respite for Older People	2, 9
Review of Blue Badge processes	9
Reduction in Mental Health Officer Agency Spend	9
Reduction in Older People services Agency Spend	9
Maximising Use of Equipment	9
Application of Ordinary Residence to re-designate financial accountability	2, 9
Increase in community based options for looked after and accommodated children	2, 7, 9
Review of Allotment Scheme	9
Review of Learning Disability resource allocation model	5, 9
Vacancy Resourcing	9
Continuing Care (one off)	2

**Progress during 2019-20 in support of “Features Supporting Integration” improvement proposals by Audit Scotland and the Ministerial Strategic Group**

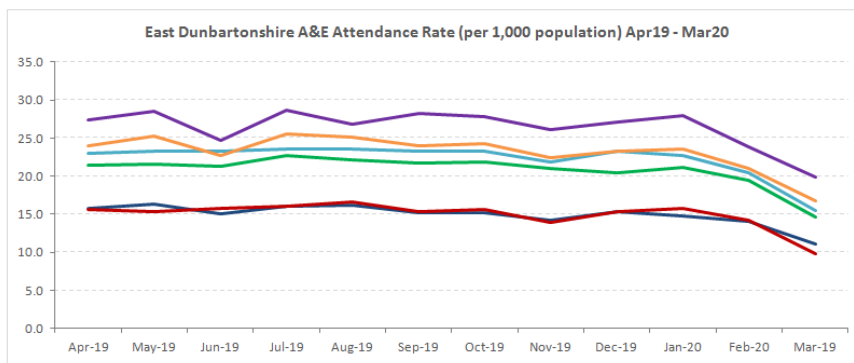
<b>Collaborative leadership and building relationships – completed by March 20</b>
<ul style="list-style-type: none"> <li>• Reviewing all leadership course/training opportunities delivered across, or available to, East Dunbartonshire Council and NHSGGC staff to identify ones that should be made available to partnership staff regardless of employing organisation</li> <li>• Finalising and publishing a formal Commissioning Strategy that sets out areas of development and commissioning intention linked to the delivery of the HSCP’s Strategic Plan.</li> <li>• Engaging, through our Providers’ Forum, with providers to develop an approach to cross-market facilitation that delivers on the priorities set out in the Commissioning Strategy, supported by colleagues from iHub.</li> <li>• Further developing our Providers’ Forums by ensuring meetings are set, agendas are developed with input from providers, and there is attendance of senior managers to update / engage on key priority areas under development.</li> <li>• Working with our local Third Sector Interface to improve engagement with larger national third sector providers who find it difficult to engage directly with the local Providers’ Forums</li> </ul>
<b>Integrated finances and financial planning - completed by March 20</b>
<ul style="list-style-type: none"> <li>• Reviewing the financial monitoring and reporting framework to support operational delivery across the NHS, HSCP and Council</li> <li>• Working across the partnership to understand expected future capital requirements for community services further and develop our mapping of the potential contribution of all agencies to delivering on a capital programme for fit for the future facilities in local communities, as far as possible, regardless of ownership of the asset.</li> </ul>
<b>Effective strategic planning for improvement - completed by March 20</b>
<ul style="list-style-type: none"> <li>• Finalising and publishing a formal Commissioning Strategy that sets out areas of development and commissioning intention linked to the delivery of the HSCP’s Strategic Plan.</li> </ul>
<b>Governance and accountability arrangements - completed by March 20</b>
<ul style="list-style-type: none"> <li>• Working in partnership with the HSCP Board Chair to develop a programme of briefing and discussion opportunities with the Chair and senior management team of the HSCP to support effective agenda, Board business and whole system planning.</li> <li>• Developing a formal quality improvement framework and embedding this is the work of the clinical and care governance group’s scrutiny processes.</li> </ul>
<b>Meaningful and Sustained Engagement - completed by March 20</b>
<ul style="list-style-type: none"> <li>• Develop and present to the HSCP Board a refreshed HSCP engagement strategy that outlines our engagement opportunities for local communities in relation to strategic, local planning and transformation activities.</li> </ul>

**Progress against the Joint Strategic Inspection of Adult Services Action Plan**

<b>Actions Completed By March 2020</b>
Implemented the Performance Framework approach developed during 2018 – 2019
Developed an ISD work plan to support data reporting and analysis
Worked with Council Performance Team via the Operational Reporting Requirements Group to put reporting actions in place to address areas ISD are unable to contribute to.
Developed and implement a Quality Assurance framework for use across the partnership and embed process for quality improvement across partnership team
Worked with the Council Performance Team and Carefirst Team to explore how information in relation to meeting outcomes for individuals can be collated /aggregated and reported to inform service review and planning processes
As part of our Quality Improvement Framework established expectations around formal updating of needs assessments to inform service planning and ensure scrutiny and reporting of same to Clinical and Care Governance Group
Developed a refreshed engagement strategy within the HSCP that includes engagement expectations in relation to strategic and local planning, and transformation
Contributed to the Council’s 10 stage service redesign review process to consider opportunities within process for engagement with service user / carers and care providers
Finalised the Commissioning Strategy

**Performance Highlights and Improvement Areas**

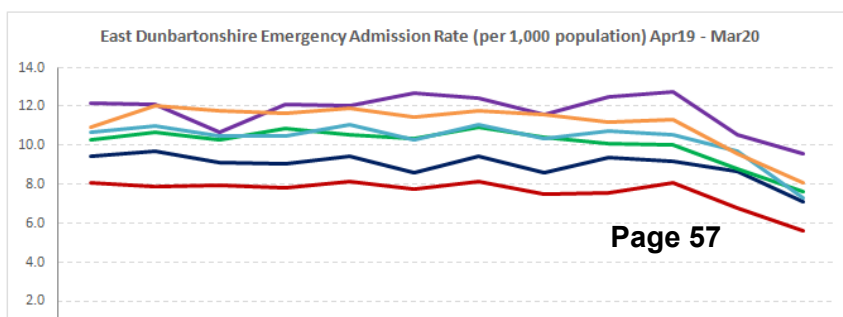
There is a delay of some months for published national unscheduled care performance by Public Health Scotland, so full year performance data is not yet available for this. However, NHS Greater Glasgow and Clyde (GG&C) records more up-to-date unscheduled care activity and performance data, which can be used at this stage to report performance locally. Using this local data, East Dunbartonshire is shown to have recorded the second lowest A&E attendances across GG&C, with the second lowest admissions for over age 65, as a rate of population.



**Select Comparator:**

- East Renfrewshire
- Glasgow City
- Inverclyde
- Renfrewshire
- West Dunbartonshire

East Dunbartonshire

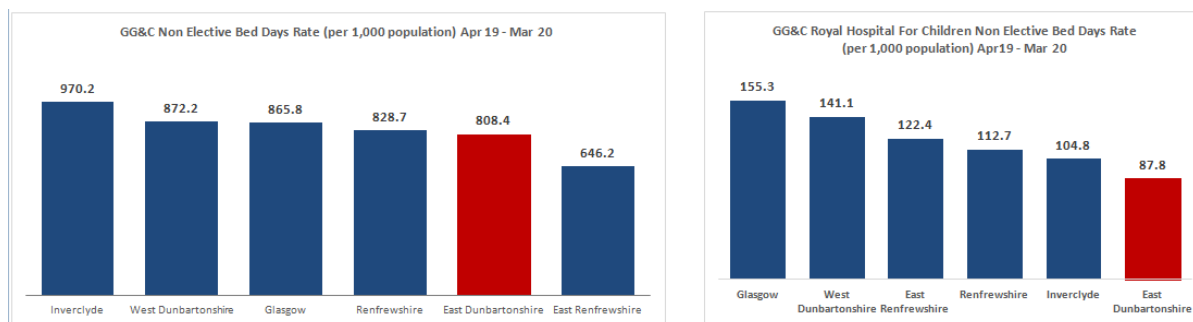


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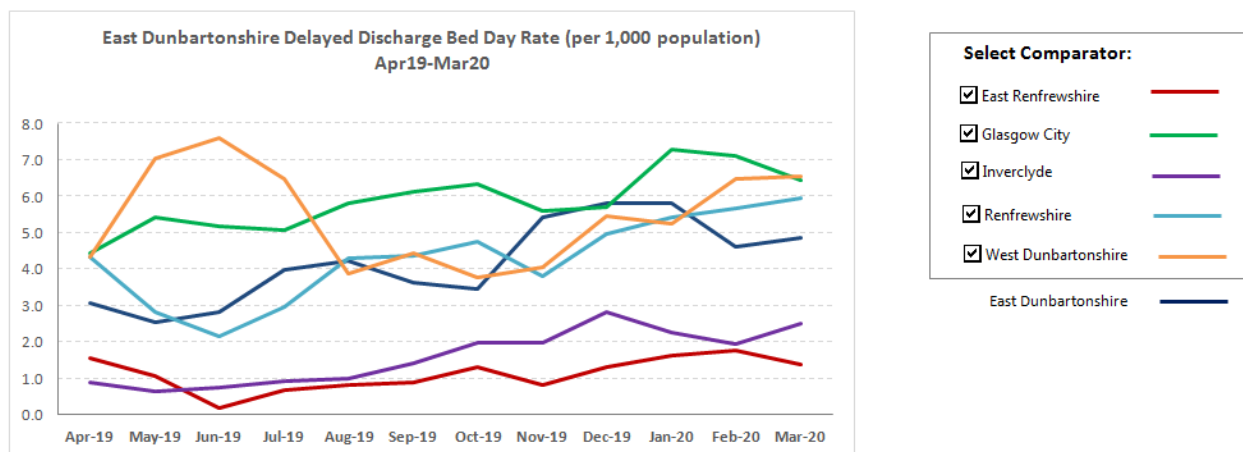
- East Renfrewshi
- Glasgow City
- Inverclyde
- Renfrewshire
- West Dunbartonshire

East Dunbartonshire

Bed days associated with emergency admissions were the second lowest for 18+ and the lowest for under 18s.

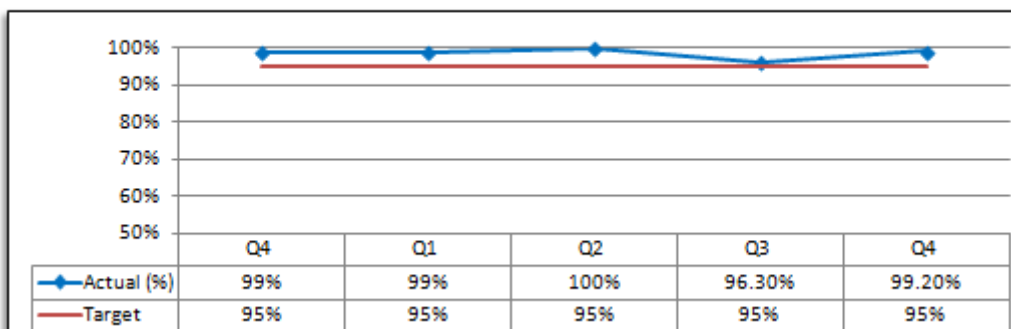


After a strong start to the year, East Dunbartonshire experienced a gradual increase in bed days lost to delayed discharge, with a particular spike occurring during the winter period. This placed East Dunbartonshire with the highest rate in GG&C by the end of Quarter 3, in significant part due to local home care provider pressures and an increase in referrals to the Social Work Hospital Assessment team of 20% year-on-year. In response to these challenges, the HSCP introduced a new Care at Home model, and introduced a change in culture and practice with the introduction of Local Area Coordinators. The Home for Me team reduced care calls post discharge by 66% and care hours from an average of 11 per week to 2 per week. Importantly, levels of discharge before 72 hours were sustained despite increased delays and referrals to the Hospital Assessment Team. By the end of the financial year, the delayed discharge levels were significantly reduced from the winter spike, which was also a consequence of the coronavirus emergency planning arrangements.



With adult social work services, the completion of community care assessments within the target 6 week period exceeded 95% in each quarter of 2019-20.

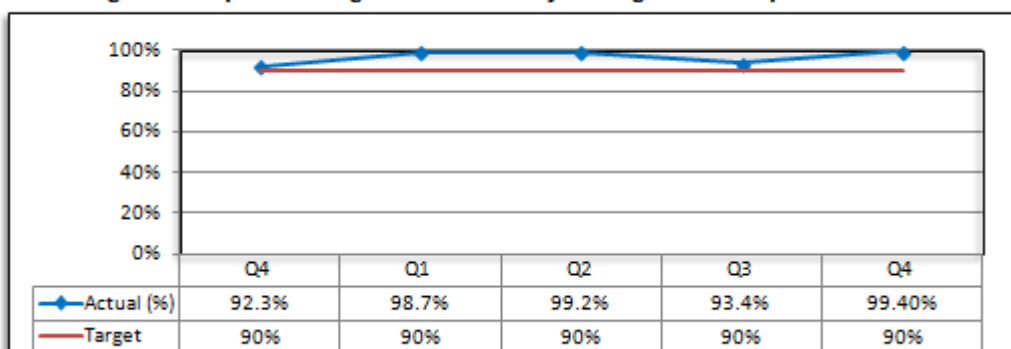
**Percentage of service users (65+yrs) meeting 6wk target**



Satisfaction with the level of customer involvement in the design of their care and support also exceeded target, achieving 98% satisfaction scores through annual review. After a challenging year in 2018-19 in the face of a trebling of referrals for older people, the achievement of adult protection timescales exceeded 90% for each quarter in 2019-20.

Alcohol and Drugs treatment waiting times began 2019 with target achievement of 76%, but through improved resourcing and operational processes, this was increased to 86% by the end of the reporting year. Mental Health psychological therapy targets were fully met over the same period. There was also a positive roll out by Primary Care Mental Health Service of E-CBT and E-health initiatives and wider multidisciplinary digital health group to progress HMHM and Attend Anywhere development.

**Percentage of People Waiting <18wks for Psychological Therapies**



Social Work Children’s Services achieved very good performance across the full range of child protection, looked after children and assessment waiting times. Achieving target on the balance of care for looked after children in the community was more challenging, but this improved quarter-on-quarter over the year due to successful initiatives to increase foster care capacity in the East Dunbartonshire area. The number of children on the child protection register increased by 36% over the reporting year. Children’s community nursing services secured SG Funding for a Breast Feeding Project to reduce attrition rates and achievement of UNICEF Breast Feeding Gold Sustainability Status as a result of excellent work in this field.

A fuller report on HSCP performance is available in the HSCP Board’s Quarter 4 Performance Report and will be further developed in the Annual Performance Report 2019-20.

## **HSCP BOARD'S FINANCIAL POSITION AT 31 MARCH 2020**

The activities of the HSCP are funded by EDC and NHS GG&C who agree their respective contributions which the partnership uses to deliver on the priorities set out in the Strategic Plan. The scope of budgets agreed for inclusion within the HSCP for 2019/20 from each of the partnership bodies were:-

### **HSCP Board Budgets 2019/20 (from the 1<sup>st</sup> April 2019 to the 31<sup>st</sup> March 2020)**

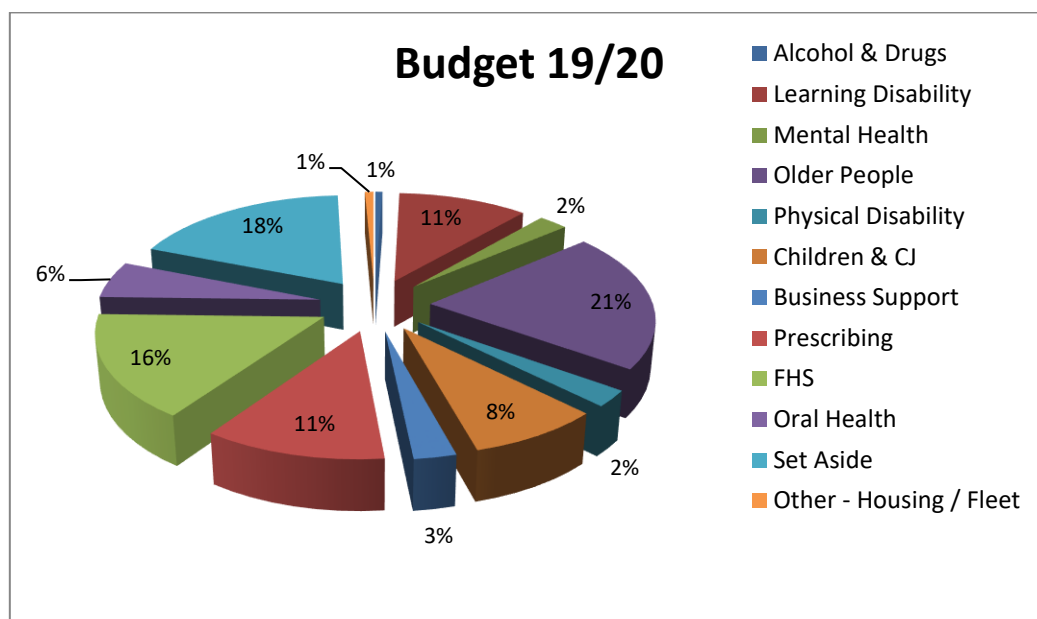
	Original Budget 19/20 £000	In Year Adjustments £000	Final Budget 19/20 £000
Functions Delegated by East Dunbartonshire Council	55,154	606	55,760
Functions Delegated by NHS GG&C	78,364	9,896	88,260
Set Aside – Share of Prescribed Acute functions	19,602	12,645	32,247
<b>TOTAL</b>	<b><u>153,120</u></b>	<b><u>23,147</u></b>	<b><u>176,267</u></b>

The increases to the original budget for 19/20 relate largely to non recurring funding allocations during the year relating to oral health, family health services and Scottish Government funding to support alcohol & drugs, primary care improvements and mental health monies. The increase to the set aside allocation relates to NHS GG&C now being in a position to report the set aside figures based on actual expenditure which has resulted in the restatement of 18/19 figures which were previously based on a notional budget figure. The notional budgets for set aside were based on NRAC activity and information from the cost book and were very high level. Actual figures are now based on a much more detailed approach including actual spend and activity for each year.

The budgets include an element of funding provided by the Scottish Government to deliver on the key outcomes for the Partnership in the form of delayed discharge (£0.5m), integrated care funding (£0.7m) and Social Care funding (£6.1m).

The budget is split across a range of services and care groups as depicted below:-





### **HOSTED SERVICES**

The Health Budget includes an element relating to Oral Health Services (£9.8m) which is a service hosted by East Dunbartonshire HSCP and delivered across the other five partnership areas within NHS GG&C's boundaries.

The full extent of this budget is reflected in these accounts as prescribed within the Integration Scheme. There are services hosted within other NHS GG&C partnerships which have similar arrangements and which support the population of East Dunbartonshire such as Musculoskeletal Physiotherapy, Podiatry, and Continence Care.

The extent to which these services are consumed by the population of East Dunbartonshire is reflected below:-

2018/19 £000	Service Area	2019/20 £000
518	MSK Physio	556
62	Retinal Screening	59
563	Podiatry	578
333	Primary Care Support	342
357	Continence	372
633	Sexual Health	637
	Learning Disability – Tier 4	42
793	Mental Health Services	825
	Augmentative & Alternative Communications	25
800	Oral Health	809
907	Addiction	912
155	Prison Healthcare	164
193	Healthcare in Police Custody	193
2,361	General Psychiatry	2,301
	Learning Disability – In Patient	154
1,389	Old Age Psychiatry	1,204
<b>9,064</b>	<b>Total Cost of Services consumed within East Dunbartonshire</b>	<b>9,173</b>

## **SET ASIDE BUDGET**

The set aside budget relates to certain prescribed acute services including Accident & Emergency, General Medicine, Respiratory care, Geriatric long stay care etc. where the redesign and development of preventative, community based services may have an impact and reduce the overall unplanned admissions to the acute sector, offering better outcomes for patients and service users.

Work continues to be progressed in relation to the sum set aside for hospital services; however, arrangements under the control of Integration Authorities are not yet operating as required by the legislation and statutory guidance. Each Health Board, in partnership with the Local Authority and Integration Authority, must fully implement the delegated hospital budget and set aside budget requirements of the legislation, in line with the statutory guidance published in June 2015. To date work has focused on the collation of data in relation to costs and activity. Moving forward work has now commenced on the development of commissioning plans to support the implementation of set aside arrangements.

An allocation has been determined by NHS GG&C for East Dunbartonshire of £32.2m for 2019/20 in relation to these prescribed acute services. Actual figures are now based on a much more detailed approach including actual spend and activity for each year.

## **KEY RISKS AND UNCERTAINTIES**

The period of public sector austerity and reduction in the overall level of UK public sector expenditure is anticipated to extend over the medium term horizon. This is compounded by the impact on public sector budgets of the Covid-19 pandemic which is expected to continue throughout 2020/21.

The planning and delivery of health and social care services has had to adapt to meet the significant public health challenge presented by the Covid-19 pandemic. In response to the pandemic the IJB has been required to move quickly and decisively.

There has been significant disruption to how health and social care services across East Dunbartonshire are currently being delivered and experienced by service users, patients and carers and this is likely to continue in the short to medium term. The HSCP has also had to implement new service areas in response to the pandemic, examples of which have included the establishment of an assessment centre to support assessment and testing of potential COVID-19 patients and the creation of a hub to support the distribution of PPE to our social care services and those delivered by the third and independent sector and personal assistants and carers.

The financial impact of implementing the required changes to services and service delivery models (e.g. to support social distancing requirements, support staff with the appropriate protective equipment, and manage the new and changing levels of need and demand) is significant and likely to be ongoing and evolving. The Governance Statement on page **x** outlines the governance

arrangements which are in place during this challenging time. These accounts have been prepared on the assumption that the Scottish Government will meet the additional costs experienced by the IJB and this is also the assumption which has been made moving forward into 2020/21.

Future Scottish Government grant settlements remain uncertain with further reductions in government funding predicted to 2020/21. The EU referendum result on the 23<sup>rd</sup> June 2016 continues to create some further uncertainty and risk for the future for all public sector organisations and this continues with negotiations ongoing and due to conclude during 2020/21.

The Partnership, through the development of an updated strategic plan, has prepared a financial plan aligned to its strategic priorities. The aim is to plan ahead to meet the challenges of demographic growth and policy pressures, taking appropriate action to maintain budgets within expected levels of funding and to maximise opportunities for delivery of the Strategic Plan through the use of earmarked reserves. This was presented on the basis of “business as usual”, ongoing and developing COVID-19 issues highlight that this is not the case. It should be recognised that extraordinary costs are being incurred and will continue to be incurred for the foreseeable future. For accounting purposes, these costs will be recorded separately, with the assumption that costs will be covered by partners, and ultimately by government

Additional funding of £100m has been provided to HSCPs for 2020/21 to support continued implementation of the Carers Act, Scottish Living Wage to care providers, delivery of health and social care integration, increases to the FPC allowances and delivery of school counselling. There has also been additional Investment in the Primary Care Fund to support the implementation of the GP contract and development of new models of primary care (£50m), Mental Health and CAMHs (£28m) and Alcohol and Drugs services (£12.7m)

The most significant risks faced by the HSCP over the medium to longer term are:-

- The increased demand for services alongside reducing resources. In particular, the demographic increases predicted within East Dunbartonshire is significant with the numbers of older people aged 75+ set to increase by 67% over the period 2018-2043 (source: NRS). Even more significantly given the age profiles of people receiving the greatest proportion of services, numbers of older people aged 85+ are set to increase by 119% over the same period.
- East Dunbartonshire has a higher than national average proportion of older people aged 75+, therefore these projected increases will have a significant, disproportionate and sustained impact on service and cost pressures.
- The cost and demand volatility across the prescribing budget which has been significant over the years as a result of a number of drugs continuing to be on short supply resulting in significant increase in prices as well as demand increases in medicines within East Dunbartonshire.. While these issues were not as significant during 2019/20, the impact on the demand and supply of medicines following the Covid-19 pandemic in mid March will be felt during 2020/21. This represents the HSCP’s singular biggest budget area.
- The achievement of challenging savings targets from both partner agencies that face significant financial pressure and tight funding settlements, expected to continue in the medium to long term.

- The capacity of the private and independent care sector who are struggling to recruit adequate numbers of care staff to support service users which is being felt more acutely south of the border but remains a concern locally.

Financial governance arrangements have been developed to support the HSCP Board in the discharge of its business. This includes financial scoping, budget preparation, standing orders, financial regulations and the establishment and development of a Performance, Audit & Risk Committee to ensure the adequacy of the arrangements for risk management, governance and the control of the delegated resources.

The HSCP approved a risk management strategy in August 2017 and we continue to maintain a corporate risk register for the HSCP which identified the key areas of risk that may impact the HSCP and the range of mitigating actions implemented to minimise any associated impact. This is subject to regular review with the latest version presented to the IJB in November 2019. This has been supplemented by a specific Covid-19 risk register following the pandemic outbreak in March 2020 and will be in place specifically to manage these risks throughout this period.

The key areas identified (as at September 2019, updated in April 2020 for the Covid-10 pandemic) are:

Key Strategic Risks	Mitigating Actions
Inability to achieve financial balance	Liaison with other Chief Finance Officers network. Monitoring of delivery of efficiency plans for the coming year through the HSCP transformation board. Financial recovery plan in place and work with staff and leadership teams to identify areas for further efficiencies / service redesign to be escalated in year.
Risk of failure to achieving transformational change and service redesign plans within necessary timescales	Transformation Board oversees progress. Performance reporting framework established to support tracking of progress. Support through Council and NHS transformation teams to progress priorities. Early collaborative planning with ED Council and NHS GG&C re support requirements.
Inability to recruit and retain the appropriate numbers of trained staff to meet requirements resulting in reduction in service or failure to meet statutory duties.	Develop workforce plan for 2018-21 inline with HSCP Strategic Plan. Revised recruitment protocol in place to support SMT overview of workforce issues.
Brexit risk - may negatively impact service delivery as a result of staff, equipment, medication or food shortages	Ongoing engagement with Brexit risk assessment and planning groups across ED Council and NHS GG&C
Covid - Failure to deliver services to all those vulnerable and complex individuals to allow them to remain safely at home	Monitoring of absence levels and adherence to health protection Scotland advice, additional overtime on offer for staff at work, ongoing recruitment, staff re-direction to frontline care at home service, purchase of appropriate PPE to support staff to deliver safely, management of demand through reliance on carers /

	family members. Additional contract monitoring and commissioning support and liaison to support business continuity of care providers.
Covid - Increased demand for services to support individuals within the community in the context of reduced capacity.	Additional support provided to individuals / carers to support those at risk and shielding to remain safely at home, training ongoing for staff re-directed to care at home and other critical service areas.
Covid - Lack of funding available through the Scottish Government (SG) to support the significant additional costs arising from managing Coronavirus locally	Development and contribution to GG&C Mobilisation plan, financial templates completed and submitted for East Dunbartonshire, weekly updates on anticipated and actual expenditure as planning progresses. Chief Officer representation on GG&C and national groups to make representation for adequate funding, representation through COSLA.

### **FINANCIAL PERFORMANCE 2019/20**

The partnership's financial performance is presented in these Annual Accounts. The table, on page 39, shows a deficit of £0.182m against the partnership funding available for 2019/20. This includes unspent investment (to be carried forward to future years) during the year in relation to Scottish Government funding for specific priorities including Primary Care Improvements (PCIP), delivery of the Mental Health Strategy (MH), and Alcohol and Drugs partnership monies (ADP). This masks the full extent of in year pressures. Adjusting this position for in year additions or re-statement of earmarked reserves provides the true extent of these pressures, totalling nearer £0.6m for 2019/20.

As part of the approval of the 2019/20 Budget in March 2019, the HSCP Board approved a Transformation and Service Redesign programme of £3.9m to deliver a balanced budget for the year. This was a hugely challenging programme to deliver in year and required a process of service review across a number of work-streams, consultation and engagement with key stakeholders and dependencies with complimentary work across a number of fronts. This led to slippage within the programme which caused budget pressures across the range of HSCP services but primarily within Older Peoples services where the focus of service redesign was targeted. In addition the demand increases for Older People's services resulted in this presenting as a significant area of budget pressure for the partnership during 2019/20.

The pressures on the partnership budget relate in the main to social work services of £1.9m which were mitigated in part through under spends on community health budgets of £1.3m with reserves applied to manage the remaining gap to deliver a balanced budget at the year end.

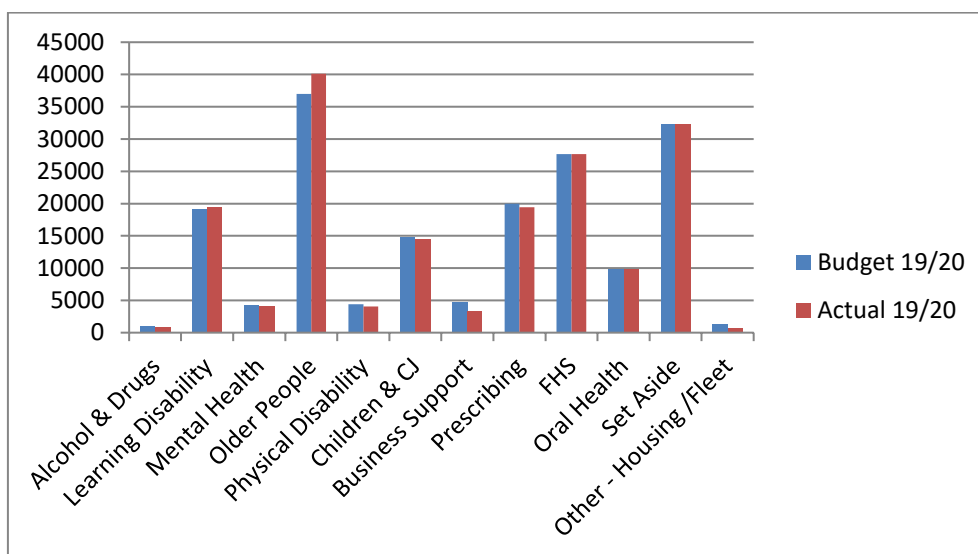
A recovery plan was approved by the HSCP Board in September 2019 comprising robust vacancy management, limits to essential areas of spend only across the range of services delivered through the HSCP and identification of additional efficiency measures to be implemented throughout the year. The recovery plan did not extend to measures which delivered reductions in service provision, cessation of services or which would lead to a diminution in service performance such as in the areas of bed days occupied and delayed discharges. The recovery

plan delivered a positive contribution towards mitigating the anticipated budget pressures, however did not manage this completely. The partnership therefore relied on the use of limited general reserves (£0.041m) and the re-designation of a number of earmarked reserves to deliver a balanced budget position for this financial year (£0.561m).

This has had a significant impact on the available reserves of the partnership moving into future years with no general reserve available to act as a contingency to manage delivery of transformation and in year unplanned budget pressures, and earmarked reserves limited to those where funding has been made available by the Scottish Government for specific initiatives such as PCIP, Mental Health Action 15 and support to alcohol and drug services. A small balance remains to lever in transformational change, however this is limited and seed funding to deliver transformation will need to be sought from other sources where available. Limited reserves also increases the risk of having to rely on partner agency additional contributions beyond that agreed at the setting of the annual budget in March 2020. Any additional contribution may be on the basis of a loan which requires to be repaid in future years which only serves to further the risk to the financial sustainability of the partnership and places a reliance on identifying extensive transformation activity or service reductions / cessations to deliver a balanced budget.

The movement in reserves can be seen within the Reserves Statement detailed on page 40.

The partnership’s financial performance across care groups is represented below:



The main areas of budget pressure for the HSCP during the year are set out below:

Older People Services (£2.8m over spend)

The overall pressures relate to ongoing demand and cost pressures exceeding the available budget for 2019/20, particularly in the area of older people’s social care.

These were a result of adverse payroll variances particularly in relation to homecare as a consequence of reliance on overtime and use of agency to ensure continuity of service delivery to cover vacancies, sickness and absence; challenging savings plans predicated on the redesign of homecare services and which were not achieved in year; increased activity levels placing demand pressures on older people care homes, homecare, supported living and day-care

(alternatives) and contractual increases in relation to the care at home framework and national care home contracts beyond that which was provided for within the budget. These pressures arose as a direct result of the growing demand from an ageing population requiring support from social work services to maintain independent living within the community or within a care home setting.

A review of care at home services during the year has determined that a locality based approach supported through a balance of usage of externally purchased services will deliver a sustainable care at home service going forward. This is in the process of being implemented internally with external provision subject to re-tendering exercise with resort to the national Scotland Excel Framework to deliver this element of the service.

#### Adults – Learning Disability, Mental Health, Addiction Services (£0.1m under spend)

There were some pressures in the area of learning disability in relation to the impact of the delay in delivering savings within the Pineview service, taxi provision to support individuals with a learning disability to access services and costs associated with agency staff to cover statutory mental health officer functions. This was offset through a downturn in residential accommodation within addiction recovery services, recharges for fleet provision and savings achieved through vacancies across community health services within this care group area. The implementation of the new Access to Transport policy and progression of the learning disability review will mitigate pressures in this area going forward.

#### Children & Families (£0.3m under spend)

There were some pressures in relation to externally purchased foster placements, kinship payments and health visiting staff costs, this was offset through robust vacancy management across Children's social work and residential services.

#### Business Support (£1.3m under spend)

There were some pressures on accommodation costs within the Kirkintilloch Health & Care Centre and Lennoxton Hub, this was offset through additional funding above anticipated levels in relation to the improved health offer, continuing care, support to veterans, carers funding and the positive impact of improved bad debt provisions.

#### Prescribing (£0.5m under spend)

There are a number of points to note in respect of prescribing, namely:-

- The cost per drugs is increasing on average by 9.36% for East Dunbartonshire based on the types of drugs being dispensed and this is expected to continue.
- The overall performance on prescribing is being driven largely by volumes with an average decline in volumes over the year of 6% compared to that forecast at the budget planning stage.
- This is set in the context of increasing list sizes for East Dunbartonshire having seen an increase of 1.06% since the same period last year.
- There were savings from discounts (patented drugs) and discount clawback (generic drugs) in 2019/20 which had a positive impact on this budget

#### Other Services (£0.4m under spend)

There was a positive variation on other budgets delegated to the partnership relating to private sector housing grants and care & repair services delivered through the Council's housing service.

### Partnership Reserves

As detailed above, there was additional funding allocated during the year from the Scottish Government to support the development and implementation of a number of key initiatives which have been earmarked within reserves with planned expenditure during 2020/21. These provide for balances on earmarked reserves as set out below:

• Self Directed Support (SDS)	£0.077m
• Integrated Care Funding	£0.307m
• Primary Care Improvement Plan	£0.195m
• Primary Care Cluster Funding	£0.039m
• Action 15 Mental Health Strategy	£0.108m
• Alcohol and Drugs Partnerships	£0.038m
• Technology Enabled Care	£0.011m
• Infant Feeding	£0.013m
• CHW Henry Programme	£0.015m
• <b>TOTAL</b>	<b>£0.803m</b>

There was an overall reduction in the level of earmarked reserves of £1.05m over the course of the year due to the review and re-designation of a number of earmarked reserves related to Oral Health, Prescribing and Integrated Care Funding (£0.56m). This supported the general reserve position and ability to support a balanced position in year. Further monies were used in the delivery of the Scottish Government initiatives outlined above during 2019/20 (£0.49m).

There is a nil balance on partnership general reserves at the end of 2019/20. This provides no resilience for future years for managing in year financial pressures and any slippage in savings targets.

The total level of partnership reserves is now £0.803m as set out in the table on page 40.

### Financial Planning

The HSCP continues to face significant financial pressures from demographic growth particularly amongst the elderly population placing demand on care at home and care home provision, pressures in relation to increasing numbers of children moving on into adult services generating demand, and increased cost pressures across a range of adult social care services. This will be compounded during 2020/21 due to anticipated costs associated with the re-tendering of the Care at Home Framework, increased costs associated with the national care home contract, pressures in the delivery of the Scottish Living wage, continued prescribing demand and cost pressures and



extremely challenging savings plans associated with service redesign, income generation, fairer access and eligibility to services.

In setting the budget for 2020/21, the partnership had a funding gap of £6m following an analysis of cost pressures set against the funding available to support health and social care expenditure in East Dunbartonshire, this is set out in the table below:

	Delegated SW Functions (£m)	Delegated NHS Functions (£m)	Total HSCP (£m)
Recurring Budget 2019/20 (excl. Set aside)	54.838	81.802	136.640
Financial Pressures	7.645	1.942	9.587
2020/21 Budget Requirement	62.483	83.744	146.227
2020/21 Financial Settlement	56.768	83.405	140.173
Financial Challenge 20/21	5.715	0.339	6.054
Budget Savings 19/20 - F/Y Impact	(1.020)	(0.200)	(1.220)
Financial Challenge Measures	(0.577)	(0.339)	(0.916)
<u>Efficiency Measures</u>			
- turnover analysis	(0.445)	0.000	(0.445)
Transformation Plan 20/21	(0.701)	0.000	(0.701)
<b>Residual Financial Gap 20/21</b>	<b>2.973</b>	<b>(0.200)</b>	<b>2.773</b>

Savings plans of £3.2m were identified to mitigate the financial pressures which left a remaining gap of £2.8m to be funded through a process of collaborative working with Council Transformation Leads to identify further transformation activity to address the gap in full.

The Council continues to underwrite the delivery of the transformation programme. In the event of this being unachievable suitable provision will need to be made by the Council with the reserves position serving as the ultimate backstop.

The IJB may be asked to consider a recovery plan at a future date in order to achieve a balanced budget in the event that pressures extend beyond the assumptions set out in the financial plan for 2020/21. A range of options have been developed which focus on service reductions, extension to waiting times, placement management, staffing reductions, funding reductions to 3<sup>rd</sup> sector to align with statutory minimums and further charging options.

There has been a significant delay in progressing this work as a result of resources re-directed to manage the effects of the covid-19 pandemic and this is expected to continue.

The HSCP, along with other HSCPs across Scotland, have developed a mobilisation plan to manage the impact of the pandemic along with a financial assessment of the likely costs associated with these planned responses. This includes the anticipated shortfall in the HSCP transformation planning for 2020/21.

This also includes an assessment of the impact of the national agreement on the level of uplift to be provided to support delivery of the Scottish Living Wage to staff within purchased care at home, housing support and daycare services. The level of funding provided through the Scottish Government to fund this initiative provided a cost pressure within East Dunbartonshire and an element of this has been reflected within mobilisation plans related to the difference between what would normally have been provided as an uplift and that agreed nationally.

The other areas of cost pressures arising from the pandemic relate to personal, protective equipment (PPE), additional costs to social care providers including staffing, PPE and sustainability support, development of a local assessment centre and cost to support carers, alternatives to daycare. It is assumed that the cost implications associated with managing the Covid-19 pandemic will be met through funding from the Scottish Government. However this remains a key risk to the HSCP for 2020/21.

Both partner organisations continue to face significant financial challenge and these impact the consideration of the financial settlement to the partnership in the delivery of its key strategic priorities and the delivery of the services delegated to it.

The NHS settlement to the HSCP provided an uplift of 3% on pays and general expenditure which provides a real terms increase on 2019/20 baseline funding.

The EDC settlement to the HSCP provided a flat cash position for pays and general expenditure with specific funding from the Scottish Government in relation to funding for health and social care totalling £100m across Scotland representing an additional £1.9m for the HSCP.

The challenging levels of savings on Partnership budgets is expected to continue for future years given the challenging financial settlements expected to both EDC and NHS GG&C.

The partnership is therefore planning for the period 2019/20 to 2024/25 for a potential funding gap of £3.4m to £21.4m (being best and worst case scenarios) in the context of reducing resources set against increasing cost and demand pressures and a 'do nothing' approach to service redesign. This represents the scale of the challenge to be met through transformation over the next 5 years.

The partnership will focus on a Transformation Plan for 2020/21 and beyond based upon a set of fundamental principles initiating a new way of working within health and social care services in East Dunbartonshire based around:

- Local and community led.
- Digital first.
- Shared ownership and shared care.
- Sustainable.
- Empowered practice
- Maximised independence.

**Mrs S Murray**

HSCP Board Chair

28<sup>h</sup> September 2020

28<sup>h</sup> September 2020

**Mrs C Sinclair**

Interim HSCP Chief Officer

**Ms J Campbell**

Chief Finance & Resources  
Officer

28<sup>th</sup> September 2020

## **STATEMENT OF RESPONSIBILITIES**

### **Responsibilities of the HSCP Board**

The HSCP Board is required to:

- Make arrangements for the proper administration of its financial affairs and to secure that the proper officer of the board has responsibility for the administration of those affairs (section 95 of the Local Government (Scotland) Act 1973). In this authority, that officer is the Chief Finance & Resources 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 Annual Accounts.

I confirm that these Annual Accounts were approved for signature at a meeting of the Performance, Audit & Risk Committee on the 28th September 2020.

Signed on behalf of the East Dunbartonshire HSCP Board.

**Mrs S Murray**  
IJB Chair

28<sup>th</sup> September 2020

## **Responsibilities of the Chief Finance & Resources Officer**

The Chief Finance & Resources Officer is responsible for the preparation of the HSCP Board'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 the Annual Accounts, the Chief Finance & Resources Officer has:

- selected suitable accounting policies and then applied them consistently
- made judgements and estimates that were reasonable and prudent
- complied with legislation
- complied with the local authority Code (in so far as it is compatible with legislation)

The Chief Finance & Resources Officer has also:

- kept proper accounting records which 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 the East Dunbartonshire HSCP Board as at 31 March 2020 and the transactions for the year then ended.

**Ms J Campbell**  
Chief Finance &  
Resources Officer

28<sup>th</sup> September 2020

## REMUNERATION REPORT

### Introduction

This Remuneration Report is provided in accordance with the Local Authority Accounts (Scotland) Regulations 2014. It discloses information relating to the remuneration and pension benefits of specified HSCP Board members and staff.

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

### Remuneration: HSCP BOARD Chair and Vice Chair

The voting members of the HSCP Board are appointed through nomination by EDC and NHS GG&C in equal numbers being three nominations from each partner agency. Nomination of the HSCP Board Chair and Vice Chair post holders alternates between a Councillor and a Health Board Non-Executive Director.

The remuneration of Senior Councillors is regulated by the Local Governance (Scotland) Act 2004 (Remuneration) Regulations 2007. A Senior Councillor is a Councillor who holds a significant position of responsibility in the Council's political management structure, such as the Chair or Vice Chair of a committee, sub-committee or board (such as the HSCP Board).

The remuneration of Non-Executive Directors is regulated by the Remuneration Sub-committee which is a sub-committee of the Staff Governance Committee within the NHS Board. Its main role is to ensure the application and implementation of fair and equitable systems for pay and for performance management on behalf of the Board as determined by Scottish Ministers and the Scottish Government Health and Social Care Directorates.

The HSCP Board does not provide any additional remuneration to the Chair, Vice Chair or any other board members relating to their role on the HSCP Board. The HSCP Board does not reimburse the relevant partner organisations for any voting board member costs borne by the partner. There were no taxable expenses paid by the HSCP Board to the Chair and Vice Chair .

The HSCP Board does not have responsibilities, either in the current year or in future years, for funding any pension entitlements of voting HSCP Board members. Therefore no pension rights disclosures are provided for the Chair or Vice Chair.

## Remuneration: Officers of the HSCP Board

The HSCP Board does not directly employ any staff in its own right; however specific post-holding officers are non-voting members of the Board. All staff working within the partnership are employed through either NHS GG&C or EDC and remuneration for senior staff is reported through those bodies. This report contains information on the HSCP Board Chief Officer and the Chief Finance & Resources Officer's remuneration together with details of any taxable expenses relating to HSCP Board voting members claimed in the year.

### Chief Officer

Under section 10 of the Public Bodies (Joint Working) (Scotland) Act 2014 a Chief Officer for the HSCP Board has to be appointed and the employing partner has to formally second the officer to the HSCP Board. The employment contract for the Chief Officer will adhere to the legislative and regulatory framework of the employing partner organisation. The remuneration terms of the Chief Officer's employment are approved by the HSCP Board. The Interim Chief Officer, Mrs Sinclair was appointed from the 6<sup>th</sup> January 2020. Mrs Sinclair is employed by East Dunbartonshire Council and seconded to the HSCP Board.

### Other Officers

No other staff are appointed by the HSCP Board under a similar legal regime. Other non-voting board members who meet the criteria for disclosure are included in the disclosures below. The HSCP Board Chief Finance & Resources Officer is employed by NHS GG&C.

The Council and Health Board share the costs of all senior officer remunerations.

<b>Total 2018/19 £</b>	<b>Senior Employees</b>	<b>Salary, Fees &amp; Allowances £</b>	<b>Compensation for Loss of Office £</b>	<b>Total 2018/19 £</b>
0	<b>C Sinclair</b> Interim Chief Officer 6 <sup>th</sup> January 2020 to present	23,590	0	23,590
98,071	<b>S Manion</b> Chief Officer 12 <sup>th</sup> December 2016 to 5 <sup>th</sup> January 2020	77,938	0	77,938
75,387	<b>J. Campbell</b> Chief Finance & Resources Officer 9 <sup>th</sup> May 2016 to present	79,412	0	79,412
<b>173,458</b>	<b>Total</b>	<b>180,940</b>	<b>0</b>	<b>180,940</b>

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 pensions liability reflected on the HSCP Board balance sheet for the Chief Officer or any other officers.

The HSCP Board however has responsibility for funding the employer contributions for the current year in respect of the officer time spent on fulfilling the responsibilities of their role on the HSCP Board. The following table shows the HSCP Board's funding during the year to support officers' pension benefits. The table also shows the total value of accrued pension benefits which may include benefits earned in other employment positions and from each officer's own contributions.

Senior Employee	In Year Pension Contributions		Accrued Pension Benefits		
	For Year to 31/03/19	For Year to 31/03/20		Difference from 31/03/19	As at 31/03/20
	£	£		£000	£000
C Sinclair	0	4,600	Pension	0	0 - 5
Interim Chief Officer 6 <sup>th</sup> January 2020 to present			Lump sum	0	0
S. Manion	15,000	16,300	Pension	0 – 2.5	15 - 20
Chief Officer December 2016 to 5 <sup>th</sup> January 2020			Lump sum	0 – 2.5	50 - 55
J. Campbell	11,000	16,600	Pension	0 – 5	5 - 10
Chief Finance & Resources Officer 9 <sup>th</sup> May 2016 to present			Lump sum	0	0
<b>Total</b>	<b>26,000</b>	<b>37,500</b>	<b>Pension</b>	<b>0 – 7.5</b>	<b>20 - 30</b>
			<b>Lump Sum</b>	<b>0 – 2.5</b>	<b>50 - 55</b>

The Chief Officer and the Chief Finance & Resources Officer detailed above are members of the NHS Superannuation Scheme (Scotland). The Interim Chief Officer is a member of the Local Government Superannuation Scheme. The pension figures shown relate to the benefits that the person has accrued as a consequence of their current appointment and role within the HSCP Board. The contractual liability for employer's pension contribution rests with NHS GG&C and East Dunbartonshire Council respectively. On this basis there is no pension liability reflected on the HSCP Board balance sheet. There was no exit packages payable during either financial year.



**Mrs S Murray**  
IJB Chair

28<sup>th</sup> September 2020

**Mrs C Sinclair**  
Interim Chief Officer

28<sup>th</sup> September 2020

## **ANNUAL GOVERNANCE STATEMENT**

### **Scope of Responsibility**

The HSCP Board is responsible for ensuring that its business is conducted in accordance with the law and appropriate standards, that public money and assets are safeguarded and that arrangements are made to secure best value in their use.

In discharging this responsibility, the Chief Officer has put in place arrangements for governance, which includes the system of internal control. The system is intended to manage risk to support the achievement of the HSCP Board's policies, aims and objectives. Reliance is placed on the NHS GG&C and EDC systems of internal control that support compliance with both organisations' policies and promotes achievement of each organisation's aims and objectives, as well as those of the HSCP Board.

The system of internal control is designed 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.

### **Impact of Coronavirus (COVID-19) pandemic on governance arrangements**

#### Impact on business as usual in the delivery of services

The COVID-19 pandemic has led to significant changes in the ways in which people are living and working, and changes to the focus of health and social care services delivery. The Health & Social Care Partnership continues to provide essential care and protection services, in line with Business Continuity and the Caring for People Plans. There is a clear focus within the Business Continuity Plan on continuing to provide support to our most vulnerable services users and patients, alongside a commitment to supporting staff to work safely and in line with Health Protection Scotland advice. As such, as many of our staff as possible are now working remotely from home.

Other changes have included a public protection collaborative team consisting of specialists in child and adult protection, and justice services, to ensure our approach is consistent with the changes to legislation that have been brought about through the Coronavirus (Scotland) Bill and to ensure there is clear and regular guidance to staff undertaking these duties.

The HSCP established a local Assessment Centre on 30 March 2020, based at Kirkintilloch Health and Care Centre. This centre provides triage to members of the public who have contacted NHS 111 with concerns about being symptomatic and are in need of medical advice and support.

### Funding consequences

The HSCP's response to the COVID-19 pandemic has resulted in additional costs being incurred, including short term costs such as those relating to increased demand for care, staffing and PPE costs. The HSCP, along with all other HSCPs, was required to submit a Mobilisation Plan to Scottish Government, outlining the actions being taken in response to the COVID-19 situation. This is supported by further detail which is submitted on a regular basis through the health board to the Scottish Government, detailing the financial costs associated with these actions. These costs are being separately tracked internally for monitoring and reporting purposes and to help secure additional funding available. For the HSCP this additional funding is necessary, given the lack of available reserves.

Longer term funding impacts are difficult to comment on at this stage, as future funding settlements are subject to a greater degree of uncertainty and the longer term impacts on costs are also highly uncertain. Although it is expected that there will be significant changes in demand pressure patterns as a result of COVID-19, mapping and quantifying these is difficult as there remains much unknown regarding the medium and long term impacts of the pandemic. Demand trends will be closely monitored for any implications for future service delivery.

### Governance Implications

Since the end of March 2020, the HSCP Board has adopted temporary arrangements, and authority has been delegated to the Chief Officer; such provisions are normally actioned during the annual summer recess. This delegation is set out in the Scheme of Delegation to Officers and is subject to reporting to the HSCP Board at the first available opportunity. This power is exercised in consultation with the Chairperson or Vice-Chairperson, as appropriate. In addition, the Chief Officer is seeking legal and financial advice prior to making significant decisions and is liaising throughout with the Chief Executives of both the Council and the Health Board. These temporary

arrangements are required to deliver new and existing high priority services in these challenging and unprecedented times and will be reviewed as circumstances evolve.

### Assessment of the longer-term disruption and consequences arising from the coronavirus pandemic

The HSCP recognises that the pandemic is a health crisis, social crisis, and economic crisis of unprecedented scale, with profound and permanent implications for our society. The crisis has brought about significant developments in, and embedding of, remote and digital ways of working that will be utilised throughout the pandemic and beyond. The full practical implications of the pandemic on society's expectations of care providers, the HSCP's demand for services, service users and ways of working in the medium and long term are not yet fully apparent but will continue to be assessed as the situation evolves and further government advice becomes available.

### **The Governance Framework and Internal Control System**

The system of internal control is based on a framework designed to identify and prioritise the risks to the achievement of the Partnership's key outcomes, aims and objectives and comprises the structures, processes, cultures and values through which the partnership is directed and controlled.

The system of internal control includes an ongoing process, designed to identify and prioritise those risks that may affect the ability of the Partnership to deliver its aims and objectives. In doing so, it evaluates the likelihood and impact of those risks and seeks to manage them efficiently, effectively and economically.

Governance arrangements have been in place throughout the year and up to the date of approval of the statement of accounts. However, see further detail provided above on the impact of the COVID-19 pandemic on these arrangements.

Key features of the governance framework in 2019/20 are:

- The HSCP Board comprises six voting members – three non-executive Directors of NHS GG&C and three local Councillors from EDC. The Board is charged with responsibility for the planning of Integrated Services through directing EDC and the NHS GG&C to deliver on the strategic priorities set out in the Strategic Plan. In order to discharge their responsibilities effectively, board members are supported with a development programme. This programme aims to provide opportunities to explore individual member and Board collective responsibilities and values that facilitate decision making, develop understanding of service provision within the HSCP and engage with staff delivering these services and specific sessions on the conduct of the business of the HSCP Board.

- HSCP Boards are ‘devolved public bodies’ for the purposes of the Ethical Standards in Public Life (Scotland) Act 2000, which requires them to produce a code of conduct for members. The members of the HSCP Board have adopted and signed up to the Code of Conduct for Members of Devolved Public Bodies and have committed to comply with the rules and regularly review their personal circumstances on an annual basis.
- The HSCP Board has produced and adopted a Scheme of Administration that defines the powers, relationships and organisational aspects for the HSCP Board. This includes the Integration Scheme, Standing Orders for meetings, Terms of reference and membership of HSCP Board committees, the Scheme of Delegation to Officers and the Financial Regulations.
- The Strategic Plan for 2018-2021 outlines eight key priorities to be delivered over the three year period and describes for each priority what success will look like and the outcome measures to be used to monitor delivery. It sets out the identified strategic priorities for the HSCP and links the HSCP’s priorities to National Health and Wellbeing Outcomes. An established Strategic Planning Group (SPG), comprising legislatively determined membership, oversees the delivery of the Strategic Plan. This is supported by a range of planning groups to take forward particular priorities which reports through the SPG and to the HSCP Board.
- Financial regulations have been developed for the HSCP in accordance with the Integrated Resources Advisory Group (IRAG) guidance and in consultation with EDC and NHS GG&C. They set out the respective responsibilities of the Chief Officer and the Chief Finance & Resources Officer in the financial management of the monies delegated to the partnership.
- The Risk Management Policy sets out the process and responsibilities for managing risk in the HSCP. The Corporate Risk Register was revised and approved in November 2019 and is reviewed by the Senior Management Team on an ongoing basis. In light of the recent COVID-19 pandemic, a specific risk register has been compiled for the risks associated with this event. Regular reports to IJB members to keep them abreast of ongoing action during this period, much of which will mitigate the risks of this pandemic. Services have internal systems in place to review and prioritise risks relating to service delivery and resources. The Service Risk Registers are updated when required and reviewed on a quarterly basis.
- Performance Reporting – Regular performance reports are presented to the HSCP Board to monitor progress on an agreed suite of measures and targets against the priorities set out in the strategic plan. This includes the provision of

exception reports for targets not being achieved identifying corrective action and steps to be taken to address performance not on target. This scrutiny is supplemented through the Performance, Audit and Risk Committee. A performance management framework has been developed and implemented across the HSCP to ensure accountability for performance at all levels in the organisation. This includes regular presentations on team / service performance to the Senior Management team at a more detailed level and informs higher level performance reporting to the partner agency Chief Executives as part of regular organisation performance reviews (OPRs) and ultimately to the IJB.

- The Performance, Audit & Risk Committee advises the Partnership Board and its Chief Finance & Resources Officer on the effectiveness of the overall internal control environment.
- Clinical and Care Governance arrangements have been developed and led locally by the Clinical Director for the HSCP and through the involvement of the Chief Social Work Officer for EDC.
- Information Governance – the Public Records (Scotland) Act 2011 (Section 1 (1)) requires the HSCP Board to prepare a Records Management Plan setting out the proper arrangements for the authority's public records. The HSCP Board approved this in March 2019, prior to submission to the Keeper of the Records of Scotland. In addition, under the Freedom of Information (Scotland) Act, the HSCP Board is required to develop a Freedom of Information Publication Scheme – this was published in March 2017.
- The HSCP Board is a formal full partner of the East Dunbartonshire Community Planning Partnership Board (CPPB) and provides regular relevant updates to the CPPB on the work of the HSCP.

### **Roles and Responsibilities of the Audit Committee and Chief Internal Auditor**

Board members and officers of the HSCP Board are committed to the concept of sound internal control and the effective delivery of HSCP Board services. The HSCP Board's Performance, Audit & Risk Committee operates in accordance with CIPFA's Audit Committee Principles in Local Authorities in Scotland and Audit Committees: Practical Guidance for Local Authorities.

The Performance, Audit & Risk Committee performs a scrutiny role in relation to the application of CIPFA's Public Sector Internal Audit Standards 2017 (PSIAS) and regularly monitors the performance of the Partnership's internal audit service. The appointed Chief Internal Auditor has responsibility to review independently and report

to the Performance, Audit & Risk Committee annually, to provide assurance on the adequacy and effectiveness of conformance with PSIAS.

The internal audit service undertakes an annual programme of work, approved by the Performance, Audit and Risk Committee, based on a strategic risk assessment. The appointed Chief Internal Auditor provides an independent opinion on the adequacy and effectiveness of internal control. East Dunbartonshire Council's Audit & Risk Manager is the Chief Internal Auditor for the Partnership. In this role, their assurance is based on the EDC internal audit reports relating to the Partnership for which they have direct responsibility. Assurance is always from a variety of sources, and one of those sources is the summary of reports of the internal auditors of NHS GG&C that relate to the partnership.

The Chief Internal Auditor has conducted a review of all EDC produced Internal Audit reports issued in the financial year and Certificates of Assurance from the EDC and partnership Senior Management Team. Although no system of internal control can provide absolute assurance, nor can Internal Audit give that assurance, based on the audit work undertaken during the reporting period, the Chief Internal Auditor is able to conclude that a reasonable level of assurance can be given that the system of internal control is operating effectively within the organisation. A number of recommendations have been made by the internal audit team in order to improve controls further, with action plans developed with management to address the risks identified.

### **Review of Effectiveness**

East Dunbartonshire HSCP Board has responsibility for reviewing the effectiveness of the governance arrangements including the system of internal control. This review is informed by the work of the Chief Officer and the Senior Management Team who have responsibility for the development and maintenance of the governance environment, the Annual Governance Report, the work of internal audit functions for the respective partner organisations and by comments made by external auditors and other review agencies and inspectorates.

The partnership has put in place appropriate management and reporting arrangements to enable it to be satisfied that its approach to corporate governance is both appropriate and effective in practice.

A range of internal audit assignments has been completed that reviewed the operation of internal controls of relevance to the HSCP Board. These were generally found to operate as intended, with reasonable assurance provided on the integrity of controls. A number of recommendations have been made for areas for further improvement and action plans developed to address the risks identified. Senior Officers have provided assurances that the issues raised by Internal Audit have been or will be addressed.

Auditors will conduct testing following completion of the actions, as part of the 2020/21 audit programme.

There has been specific work undertaken by each partner's audit functions. The Council's internal auditors were able to provide reasonable assurance over the areas reviewed by NHSGCC internal auditors, which includes audits completed by 31 March 2020. Key areas for improvement identified by NHSGCC internal auditors included those in relation to having an agreed Performance Plan and reporting against this, the medicines reconciliation process in hospitals, and IT security in relation to leavers and the development of a roadmap for replacing legacy infrastructure and systems. Management have given assurances that these areas have been or will be addressed.

An area identified for improvement by the HSCP is that of the process for purchasing emergency or short notice commissioned care. The processes for ensuring this, and other existing commissioning, has proper contractual under-pinning requires strengthening. In support of these improvements, an internal audit review of two specific arrangements is currently underway. The outcome of the review will support improvements to be taken forward through the Senior Management Team and in collaboration with NHSGGC and EDC, to ensure controls are improved and proper governance arrangements are operating correctly.

The HSCP Board has various meetings, which have received a wide range of reports to enable effective scrutiny of the partnership's performance including regular Chief Officer Updates, financial reports, quarterly performance reports and service development reports, which contribute to the delivery of the Strategic Plan. There been a number of development sessions and service visits for members covering topics such as Corporate Parenting, Health & Well Being Survey results and the Framework for Community Health & Social Care Integrated Services.

### **Governance Improvement Plans**

There are a number of areas of improvement identified for 2020/21, which will seek to enhance governance arrangements within the partnership:

- External Reports – the HSCP will take cognisance of external reports and develop action plans that seek to improve governance arrangements in line with best practice.
- EDC Internal Audit Reports – There have been a number of areas subject to scrutiny through internal audits including a review of the HSCP Financial Outturn and Key Controls, a systems audit of Direct Payments and a review of a Direct Payment Case, which are of interest to the HSCP. These highlighted areas were identified through follow up processes as requiring further improvement and

formal action plans have been developed to mitigate the risks identified. Any outstanding audit actions will continue to be monitored for compliance in 2020/21.

### **Assurance**

The system of governance (including the system of internal control) operating in 2019/20 provides reasonable assurance that transactions are authorised and properly recorded; that material errors or irregularities are either prevented or detected within a timely period; and that significant risks to the achievement of the strategic priorities and outcomes have been mitigated. Temporary arrangements have been put in place in response to the COVID-19 pandemic. These arrangements are necessary measures to enable to the HSCP to meet its responsibilities. The HSCP will continue to review its Corporate Governance arrangements and take any additional steps, as required, to enhance these arrangements.

### **Certification**

It is our opinion that reasonable assurance can be placed upon the adequacy and effectiveness of the East Dunbartonshire HSCP Board's systems of governance and control.

#### **Mrs S Murray**

IJB Chair

28<sup>th</sup> September 2020

#### **Mrs C Sinclair**

Interim Chief Officer

28<sup>th</sup> September 2020

### **COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT**

This statement shows the cost of providing services for the year according to accepted accounting practices.



2018/19 Re-Stated			Care Group	2019/20		
Gross Expenditure £000	Gross Income £000	Net Expenditure £000		Gross Expenditure £000	Gross Income £000	Net Expenditure £000
3,510	(305)	3,205	Strategic / Resources	3,633	(746)	2,887
1,360	(0)	1,360	Addictions	1,301	(89)	1,212
37,940	(1,194)	36,746	Older People	40,681	(1,799)	38,882
19,169	(610)	18,559	Learning Disability	20,133	(553)	19,580
4,089	(47)	4,042	Physical Disability	4,687	(620)	4,067
5,519	(415)	5,104	Mental Health	5,652	(618)	5,034
13,527	(13)	13,514	Children & Families	14,356	(79)	14,277
1,366	(1,108)	258	Criminal Justice	1,372	(1,161)	211
946	0	946	Other - Non Social Work	817	0	817
10,509	(790)	9,719	Oral Health	10,916	(1,081)	9,835
27,258	(1,410)	25,848	Family Health Services	29,049	(1,371)	27,678
19,072	0	19,072	Prescribing	19,484	(32)	19,452
27,471	0	27,471	Set Aside for Delegated Services to Acute Services	32,247	0	32,247
246	0	246	HSCP Board Operational Costs	270	0	270
<b>171,982</b>	<b>(5,892)</b>	<b>166,090</b>	<b>Cost of Services Managed By East Dunbartonshir</b>	<b>184,598</b>	<b>(8,149)</b>	<b>176,449</b>
	(164,273)	(164,273)	Taxation & Non Specific grant Income		(176,267)	(176,267)
<b>171,982</b>	<b>(170,165)</b>	<b>1,817</b>	<b>(Surplus) or deficit on Provision of Services</b>	<b>184,598</b>	<b>(184,416)</b>	<b>182</b>
		<b>1,817</b>	<b>Total Comprehensive Income and Expenditure</b>			<b>182</b>

*The 2018/19 expenditure has been re-stated to reflect an amendment to the set aside figures. NHS GG&C are now in a position to report the set aside figures based on actual expenditure which has resulted in the restatement of 18/19 figures which were previously based on a notional budget figure. The notional budgets for set aside were based on NRAC activity and information from the cost book and were very high level. Actual figures are now based on a much more detailed approach including actual spend and activity for each year.*

### **Movement in Reserves Statement**

This statement shows the movement in the year on the HSCP Board’s reserves. The movements which arise due to statutory adjustments which affect the General Fund balance are separately identified from the movements due to accounting practices.

Movements in Reserves During 2019/20	General Fund Balance	Ear-Marked Reserves	Total Reserves
	£000	£000	£000
<b>Opening Balance at 31 March 2019</b>	<b>(41)</b>	<b>(1,853)</b>	<b>(1,894)</b>
In Year drawdown of Reserves	0	908	908
Re-designation of earmarked to general	(561)	561	0
Total Comprehensive Income and Expenditure	602	(419)	183
<hr/>			
Increase or Decrease in 2019/20	<b>41</b>	<b>1,050</b>	<b>1,091</b>
<hr/>			
<b>Closing Balance at 31 March 2020</b>	<b>(0)</b>	<b>(803)</b>	<b>(803)</b>

Movements in Reserves During 2018/19	General Fund Balance	Ear-Marked Reserves	Total Reserves
	£000	£000	£000
<b>Opening Balance at 31 March 2018</b>	<b>(957)</b>	<b>(3,130)</b>	<b>(4,087)</b>
In Year drawdown of Reserves	0	376	376
Re-designation of earmarked to general	(2,114)	2,114	0
Total Comprehensive Income and Expenditure	3,030	(1,213)	1,817
<hr/>			
Increase or Decrease in 2018/19	<b>916</b>	<b>1,277</b>	<b>2,193</b>
<hr/>			
<b>Closing Balance at 31 March 2019</b>	<b>(41)</b>	<b>(1,853)</b>	<b>(1,894)</b>

## BALANCE SHEET

The Balance Sheet shows the value as at the 31<sup>st</sup> March 2020 of the HSCP Board's assets and liabilities. The net assets of the HSCP Board (assets less liabilities) are matched by the reserves held by the HSCP Board.

31 March 2019 £0		Notes	31 March 2020 £0
1,894	Short term Debtors	9	803
	<b>Current Assets</b>		
<b>1,894</b>	<b>Net Assets</b>		<b>803</b>
(41)	Usable Reserve: General Fund	11	(0)
(1,853)	Unusable Reserve: Earmarked	11	(803)
<b>(1,894)</b>	<b>Total Reserves</b>		<b>(803)</b>

The unaudited accounts were issued on 18<sup>th</sup> June 2020 and the audited accounts were authorised for issue on 28<sup>th</sup> September 2020.

**Ms J Campbell**  
Chief Finance &  
Resources Officer

28<sup>th</sup> September 2020

## NOTES TO THE FINANCIAL STATEMENTS

### 1. Significant Accounting Policies

### General Principles

The Financial Statements summarises the authority's transactions for the 2019/20 financial year and its position at the year-end of 31 March 2020.

The HSCP Board was established under the requirements of the Public Bodies (Joint Working) (Scotland) Act 2014 and is a Section 106 body as defined in the Local Government (Scotland) Act 1973.

The Financial Statements are therefore prepared in compliance with the Code of Practice on Local Authority Accounting in the United Kingdom 2018/19, supported by International Financial Reporting Standards (IFRS), unless legislation or statutory guidance requires different treatment.

The accounts are prepared on a going concern basis, which assumes that the HSCP Board will continue in operational existence for the foreseeable future. The historical cost convention has been adopted.

### Accruals of Income and Expenditure

Activity is accounted for in the year that it takes place, not simply when settlement in cash occurs. In particular:

- Expenditure is recognised when goods or services are received and their benefits are used by the HSCP Board.
- Income is recognised when the HSCP Board has a right to the income, for instance by meeting any terms and conditions required to earn the income, and receipt of the income is probable.
- Where income and expenditure have been recognised but settlement in cash has not taken place, a debtor or creditor is recorded in the Balance Sheet.
- Where debts may not be received, the balance of debtors is written down.

### Funding

The HSCP Board is primarily funded through contributions from the statutory funding partners, East Dunbartonshire Council and NHS Greater Glasgow & Clyde. Expenditure is incurred as the HSCP Board commissions specified health and social care services from the funding partners for the benefit of service recipients in East Dunbartonshire.

### Cash and Cash Equivalents

The HSCP Board does not operate a bank account or hold cash. Transactions are settled on behalf of the HSCP Board by the funding partners. Consequently the HSCP Board does not present a 'Cash and Cash Equivalent' figure on the

balance sheet. The funding balance due to or from each funding partner, as at 31 March, is represented as a debtor or creditor on the HSCP Board's Balance Sheet.

### Employee Benefits

The HSCP Board does not directly employ staff. Staff are formally employed by the funding partners who retain the liability for pension benefits payable in the future. The HSCP Board therefore does not present a Pensions Liability on its Balance Sheet.

The HSCP Board has a legal responsibility to appoint a Chief Officer. More details on the arrangements are provided in the Remuneration Report. The charges from the employing partner are treated as employee costs. Where material the Chief Officer's absence entitlement as at 31 March is accrued, for example in relation to annual leave earned but not yet taken.

Charges from funding partners for other staff are treated as administration costs.

### Provisions, Contingent Liabilities and Contingent Assets

Provisions are liabilities of uncertain timing or amount. A provision is recognised as a liability on the balance sheet when there is an obligation as at 31 March due to a past event; settlement of the obligation is probable; and a reliable estimate of the amount can be made. Recognition of a provision will result in expenditure being charged to the Comprehensive Income and Expenditure Statement and will normally be a charge to the General Fund.

A contingent liability is a possible liability arising from events on or before 31 March, whose existence will only be confirmed by later events. A provision that cannot be reasonably estimated, or where settlement is not probable, is treated as a contingent liability. A contingent liability is not recognised in the HSCP Board's Balance Sheet, but is disclosed in a note where it is material.

A contingent asset is a possible asset arising from events on or before 31 March, whose existence will only be confirmed by later events. A contingent asset is not recognised in the HSCP Board's Balance Sheet, but is disclosed in a note only if it is probable to arise and can be reliably measured.

### Reserves

The HSCP Board's reserves are classified as either Usable or Usable Ear-marked Reserves.

The balance of the General Fund as at 31 March 2020 shows the extent of resources which the HSCP Board can use in later years to support service provision and complies with the Reserves Strategy for the partnership.

The ear marked reserve shows the extent of resource available to support service re-design in achievement of the priorities set out in the Strategic Plan including funding which have been allocated for specific purposes but not spent in year.

### Indemnity Insurance

The HSCP Board has indemnity insurance for costs relating primarily to potential claim liabilities regarding Board member and officer responsibilities. The NHS GG&C and EDC have responsibility for claims in respect of the services that they are statutorily responsible for and that they provide.

Unlike NHS Boards, the HSCP Board does not have any ‘shared risk’ exposure from participation in CNORIS. The HSCP Board participation in the CNORIS scheme is therefore analogous to normal insurance arrangements.

Known claims are assessed as to the value and probability of settlement. Where it is material the overall expected value of known claims taking probability of settlement into consideration is provided for in the HSCP was £0k, the balance will be payable in Board’s Balance Sheet.

The likelihood of receipt of an insurance settlement to cover any claims is separately assessed and, where material, presented as either a debtor or disclosed as a contingent asset.

## **2. Prior Year Restatement – Set Aside**

There has been a re-statement of the 2018/19 figures for the set aside expenditure and an associated adjustment to the contribution from the GG&C to support this increased expenditure. The net effect to the Comprehensive Income and Expenditure Statement is therefore nil.

The 2018/19 figures were previously based on a notional budget figure. The notional budgets for set aside were based on NRAC activity and information from the cost book and were very high level. There has been considerable work progressed in refining the set aside mechanism with actual figures now based on a much more detailed approach including actual spend on acute services and activity data for each year.

## **3. Critical Judgements and Estimation Uncertainty**

In applying the accounting policies set out above, the HSCP Board has had to make critical judgement relating to services hosted within East Dunbartonshire HSCP for other HSCPs within the NHS GG&C area. In preparing the 2019/20 financial statements the HSCP Board is considered to be acting as 'principal', and the full costs of hosted services are reflected within the financial statements.

A further critical judgement relates to the assumption that all costs associated with the Covid\_19 pandemic will be met from government funding. The amounts included for 2019/20 relate to the final weeks in March 2020 when the impact of the pandemic began to be felt, therefore the exposure is not significant (<£0.5m) and these have been accrued appropriately. However, in the event that funding is not available to support the full extent of these costs, this will have an impact during 2020/21.

#### **4. Events After the Reporting Period**

The Annual Accounts were authorised for issue by the Chief Finance & Resources Officer on 28th September 2020. Events taking place after this date are not reflected in the financial statements or notes. Where events taking place before this date provided information about conditions existing at 31 March 2020, the figures in the financial statements and notes have been adjusted in all material respects to reflect the impact of this information.

#### **5. Expenditure and Income Analysis by Nature**

<b>2018/19</b>		<b>2019/20</b>
<b>Re-stated</b>		
£000		£000
38,858	Employee Costs	41,598
475	Property Costs	603
4,822	Supplies and Services	5,487
52,683	Contractors	55,151
1,015	Transport and Plant	1,229
194	Administrative Costs	177
27,342	Family Health Service	28,856
19,072	Prescribing	19,484
27,471	Set Aside	32,247
246	HSCP Board Operational Costs	270
(6,088)	Income	(8,653)
166,090	Net Expenditure	176,449
(164,273)	Partners Funding Contributions and Non-Specific	(176,267)
<b>1,817</b>	<b>(Surplus) or Deficit on the Provision of Services</b>	<b>182</b>

*The 2018/19 expenditure has been re-stated to reflect an amendment to the set aside figures. NHS GG&C are now in a position to report the set aside figures based on actual expenditure which has resulted in the restatement of 18/19 figures which were previously based on a notional budget figure. The notional budgets for set aside were based on NRAC activity and information from the cost book and were very high level. Actual figures are now based on a much more detailed approach including actual spend and activity for each year.*

#### **6. HSCP Board Operational Costs**

<b>2018/19</b>		<b>2019/20</b>
£000		£000
221	Staff Costs	243
25	Audit Fees	27
<b>246</b>	<b>Total Operational Costs</b>	<b>270</b>

#### **External Audit Costs**

The appointed Auditors to ED HSCP were Audit Scotland. Fees payable to Audit Scotland in respect of external audit service undertaken in accordance with the Code of Audit Practice in financial year 2019/20 were £9k. The audit



fee agreed for 19/20 was £27k, the balance of £18k has been accrued and will be payable in 20/21.

Given the HSCP Board cannot physically pay for invoices; this will be paid through EDC or NHS GG&C and charged as a cost in the HSCP Board Accounts.

## 7. Support Services

Support services were not delegated to the HSCP Board through the Integration Scheme and are instead provided by the Health Board and Council free of charge as a 'service in kind'. The support services provided is mainly comprised of: financial management and accountancy support, human resources, legal, committee administration services, ICT, payroll, internal audit and the provision of the Chief Internal Auditor.

All support services provided to the HSCP Board were considered not material to these accounts.

## 8. Taxation and Non-Specific Grant Income

2018/19 <i>Re-Stated</i> £000		2019/20 £000
52,690	Funding Contribution from East Dunbartonshire Council	55,760
111,583	Funding Contribution from NHS Greater Glasgow & Clyde	120,507
<b>164,273 Taxation and Non-specific Grant Income</b>		<b>176,267</b>

The funding contribution from the NHS GG&C shown above includes £32.2m in respect of 'set aside' resources relating to acute hospital and other resources. These are provided by NHS GG&C which retains responsibility for managing the costs of providing the services. The HSCP Board however has responsibility for the consumption of, and level of demand placed on, these resources.

The funding contributions from the partners shown above exclude any funding which is ring-fenced for the provision of specific services. Such ring-fenced funding is presented as income in the Cost of Services in the Comprehensive Income and Expenditure Statement.

*The 2018/19 expenditure has been re-stated to reflect an amendment to the set aside figures. NHS GG&C are now in a position to report the set aside figures based on actual expenditure which has resulted in the restatement of 18/19 figures which were previously based on a notional budget figure. The notional budgets for set aside were*

*based on NRAC activity and information from the cost book and were very high level. Actual figures are now based on a much more detailed approach including actual spend and activity for each year.*

## 9. Debtors

<b>31 March 2019 £000</b>		<b>31 March 2020 £000</b>
1,775	NHS Greater Glasgow & Clyde	726
119	East Dunbartonshire Council	77
<b>1,894 Debtors</b>		<b>803</b>

The short term debtor relates to the balance of earmarked reserves to support specific initiatives for which the Scottish Government made this funding available and is money held by the parent bodies as reserves available to the partnership.

## 10. Usable Reserve: General Fund

The HSCP Board holds a balance on the General Fund for two main purposes:

- To earmark, or build up, funds which are to be used for specific purposes in the future, such as known or predicted future expenditure needs. This supports strategic financial management.
- To provide a contingency fund to cushion the impact of unexpected events or emergencies. This is regarded as a key part of the HSCP Board's risk management framework.

The table below shows the movements on the General Fund balance, analysed between those elements earmarked for specific planned future expenditure, and the amount held as a general contingency.

Balance at 1 April 2018 £000	Transfers Out 2018/19 £000	Transfers In 2018/19 £000	Balance at 31 March 2019 £000	Transfers Out 2019/20 £000	Transfers In 2019/20 £000	Balance at 31 March 2020 £000
(102)	24		(78) Scottish Govt. Funding - SDS	1		(77)
(36)	36		0 Mental Health project	0		0
-			0 Delayed Discharge – HAT Funding	0		0
(1,665)	1,665		0 Social Care Fund	0		0
(6)	6		0 Keys to Life Funding	0		0
-			0 Autism Funding	0		0
-			0 Police Scotland – CPC Funding	0		0
(523)			(523) SG - Integrated Care / Delayed	216		(307)
			0 Infant Feeding		(13)	(13)
			0 CHW Henry Programme		(15)	(15)
(198)	159		(39) SG - Primary Care Cluster funding	39	(39)	(39)
(600)	600	(200)	(200) Oral Health Funding	200		0
		(632)	(632) SG - Primary Care Improvement	632	(195)	(195)
		(121)	(121) SG – Action 15 Mental Health	121	(108)	(108)
		(73)	(73) SG – Alcohol & Drugs Partnership	73	(38)	(38)
		(11)	(11) SG – Technology Enabled Care	11	(11)	(11)
		(176)	(176) Prescribing	176		0
(3,130)	2,490	(1,213)	(1,853) Total Earmarked	1,469	(419)	(803)
(957)	3,513	(2,597)	(41) Contingency	1,300	(1,259)	0
<b>(4,087)</b>	<b>6,003</b>	<b>(3,810)</b>	<b>(1,894) General Fund</b>	<b>2,769</b>	<b>(1,678)</b>	<b>(803)</b>

## 11. Related Party Transactions

The HSCP Board has related party relationships with the NHS GG&C and EDC. In particular the nature of the partnership means that the HSCP Board may influence, and be influenced by, its partners. The following transactions and balances included in the HSCP Board's accounts are presented to provide additional information on the relationships.

### Transactions with NHS Greater Glasgow & Clyde

2018/19 <i>Re-stated</i> £000		2019/20 £000
(111,583)	Funding Contributions received from the NHS Board	(120,507)
93,174	Expenditure on Services Provided by the NHS Board	101,977
110	Key Management Personnel: Non-Voting Board Members	122
<b>(18,299)</b>	<b>Net Transactions with the NHS Board</b>	<b>(18,408)</b>

Key Management Personnel: The non-voting Board members employed by the NHS Board and recharged to the HSCP Board include the Chief Officer and the Chief Finance & Resources Officer. These costs are met in equal share by the

NHS GG&C and East Dunbartonshire Council. The details of the remuneration for some specific post-holders are provided in the Remuneration Report.

*The 2018/19 expenditure has been re-stated to reflect an amendment to the set aside figures. NHS GG&C are now in a position to report the set aside figures based on actual expenditure which has resulted in the restatement of 18/19 figures which were previously based on a notional budget figure. The notional budgets for set aside were based on NRAC activity and information from the cost book and were very high level. Actual figures are now based on a much more detailed approach including actual spend and activity for each year.*

Balances with NHS Greater Glasgow & Clyde

<b>31 March 2019 £000</b>		<b>31 March 2020 £000</b>
1,775	Debtor balances: Amounts due from the NHS Board	726
<b>1,775 Net Balance with the NHS Board</b>		<b>726</b>

Transactions with East Dunbartonshire Council

<b>2018/19 £000</b>		<b>2019/20 £000</b>
(52,690)	Funding Contributions received from the Council	(55,760)
72,670	Expenditure on Services Provided by the Council	74,202
111	Key Management Personnel: Non-Voting Board Members	121
25	Support Services	27
<b>20,116 Net Transactions with the Council</b>		<b>18,590</b>

Balances with East Dunbartonshire Council

<b>31 March 2019 £000</b>		<b>31 March 2020 £000</b>
119	Debtor balances: Amounts due from the Council	77
<b>119 Net Balance with the Council</b>		<b>77</b>

## **12. Contingent Assets & Liabilities**

A contingent asset or liability arises where an event has taken place that gives the HSCP Board 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 HSCP Board. Contingent liabilities or assets 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 disclosed in a note to the Accounts where they are deemed material.

The HSCP Board is not aware of any material contingent asset or liability as at the 31<sup>st</sup> March 2020.

## **13. VAT**

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

The VAT treatment of expenditure in the HSCP Board's accounts depends on which of the partner organisations is providing the service as these agencies are treated differently for VAT purposes.

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

**EAST DUNBARTONSHIRE HEALTH & SOCIAL CARE PERFORMANCE, AUDIT & RISK COMMITTEE**

<b>Date of Meeting</b>	<b>18 June 2020</b>
<b>Subject Title</b>	<b>Impact of Covid-19 in Unscheduled Care</b>
<b>Report By</b>	<b>Derrick Pearce, Head of Community Health and Care Services</b>
<b>Contact Officer</b>	<b>Derrick Pearce, Head of Community Health and Care Services</b> <b>Email: <a href="mailto:Derrick.pearce@ggc.scot.nhs.uk">Derrick.pearce@ggc.scot.nhs.uk</a> Tel: 7971 368 814</b>

<b>Purpose of Report</b>	The purpose of this report is to advise Performance, Audit and Risk Committee members of the impact of Covid-19 performance in relation to unscheduled care in East Dunbartonshire HSCP.
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<b>Recommendations</b>	The Performance Audit & Risk Committee is asked to: a) Note the content of the report
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<b>Relevance to HSCP Board Strategic Plan</b>	Managing unscheduled care is a central strategic priority for the HSCP in the current Strategic Plan.
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**Implications for Health & Social Care Partnership**

<b>Human Resources:</b>	Nil
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<b>Equalities:</b>	Nil
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<b>Financial:</b>	Nil
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<b>Legal:</b>	Nil
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<b>Economic Impact:</b>	Nil
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<b>Sustainability:</b>	Nil
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<b>Risk Implications:</b>	Nil
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<b>Implications for East Dunbartonshire Council:</b>	Nil
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<b>Implications for NHS Greater Glasgow &amp; Clyde:</b>	Implications in relation to key performance standards and targets around the management of unscheduled care.
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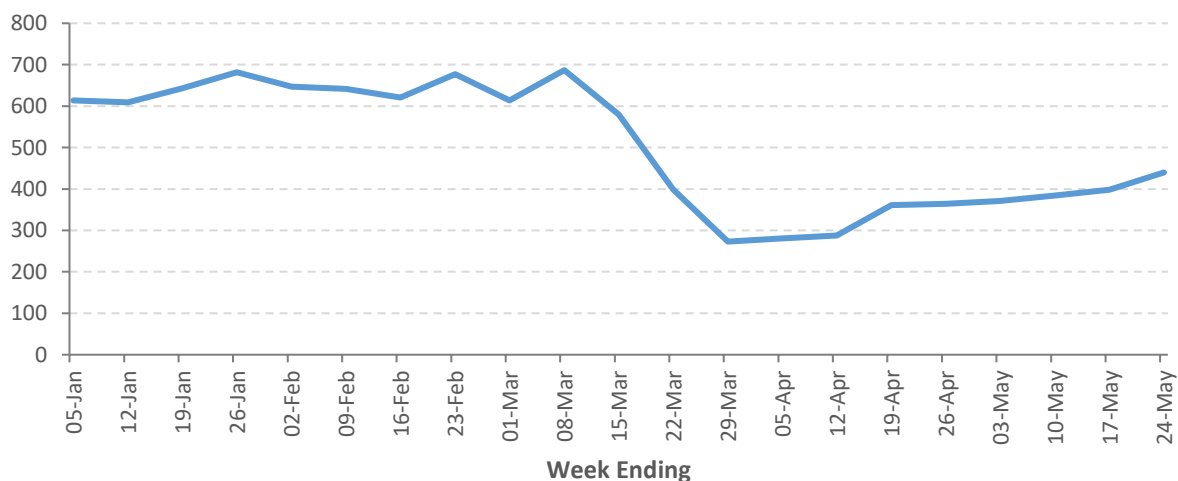
<b>Direction Required to Council, Health Board or Both</b>	<b>Direction To:</b>	
	<b>1. No Direction Required</b>	√
	<b>2. East Dunbartonshire Council</b>	
	<b>3. NHS Greater Glasgow &amp; Clyde</b>	
	<b>4. East Dunbartonshire Council and NHS Greater Glasgow and Clyde</b>	

**MAIN REPORT**

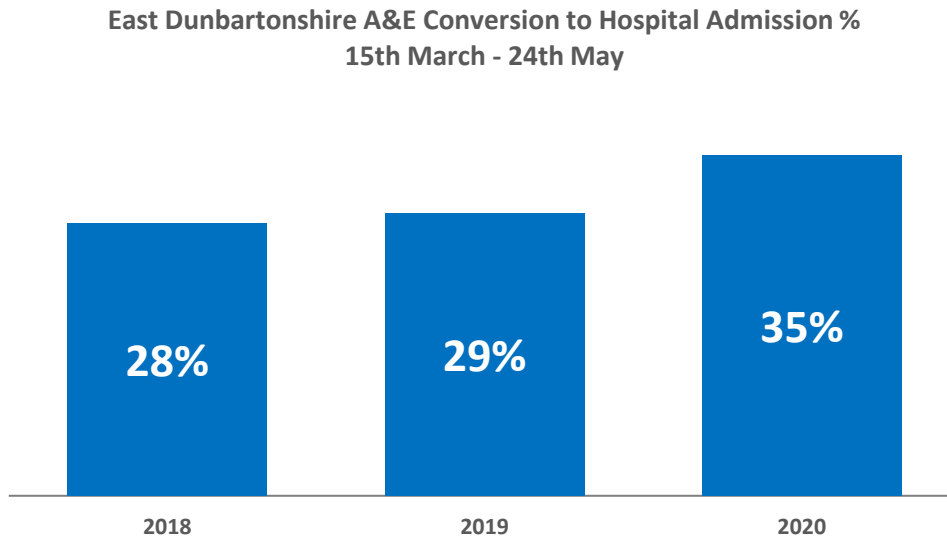
**1.1** The Covid-19 pandemic has had an impact on all aspects of life in Scotland, and particular impact on the health and social care system. Much of the planned activity of the NHS in relation to secondary care has been reduced since March 2020 and an impact has been felt in relation to unscheduled care too. This report offers a high level overview of the impact of the Covid-19 on the unscheduled care agenda facing East Dunbartonshire HSCP.

**1.2** Attendances at Accident and Emergency/Emergency Departments (ED) have decreased by patients from East Dunbartonshire during the Covid-19 pandemic period by 60% comparing the week ending 8th March and week ending 29th March. ED attendances are currently 40-50% less than same period of previous years. The chart below illustrated this. Caution is urged in relation to these data, however, as the flow pathway into the Specialist Assessment and Treatment Area (for suspected Covid-19) may mask some demand which would previously have come through ED. Attendances and admissions are not included in the count.

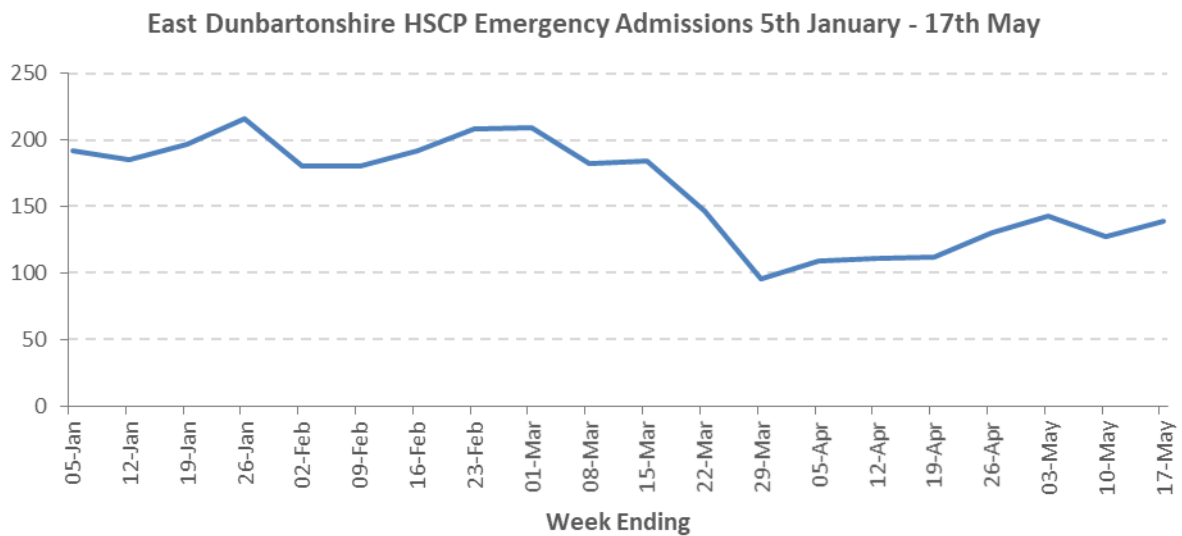
**East Dunbartonshire HSCP A&E Attendances 5th Jan - 24th May 2020**



**1.3** Since lockdown a higher % of A&E attendances have resulted in a hospital admission compared to the same time period in previous years. This may be indicative of a higher proportion of people attending with more serious conditions. More appropriate use of unscheduled care. The chart below illustrates the position.



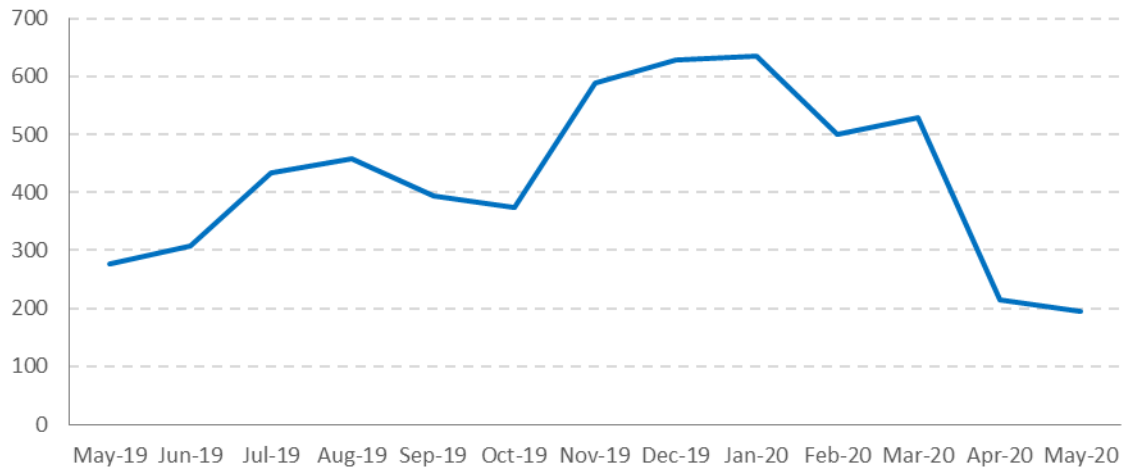
- 1.4** Emergency admissions decreased by 48% between week ending 15th March and week ending 29th March. An uptick has been seen since that point but demand remains much lower than the usual experience. Again, those attending through the SATA pathway are not recorded so same caveat as above. The chart below illustrates.



- 1.5** Bed days lost to delayed discharge is a key performance indicator for the HSCP and for the NHS Board. Prior to the Covid-19 pandemic, whilst improvements had been made, the level of delayed discharges remained stubbornly high. There were an average of 10 delayed discharges per week for East Dunbartonshire HSCP. The number of delayed discharge bed days in East Dunbartonshire fell by 60% from 529 in March 2020 to 215 in April 2020. The number of East Dunbartonshire people delayed in discharge is starting to increase again and this is being actively managed but is reflective of the increase in the level of admission to hospital and the requirement of some care homes to have prospective or returning residents tested negative for Covid-19 prior to admission/ re-admission. The chart below illustrates the performance narrated above.

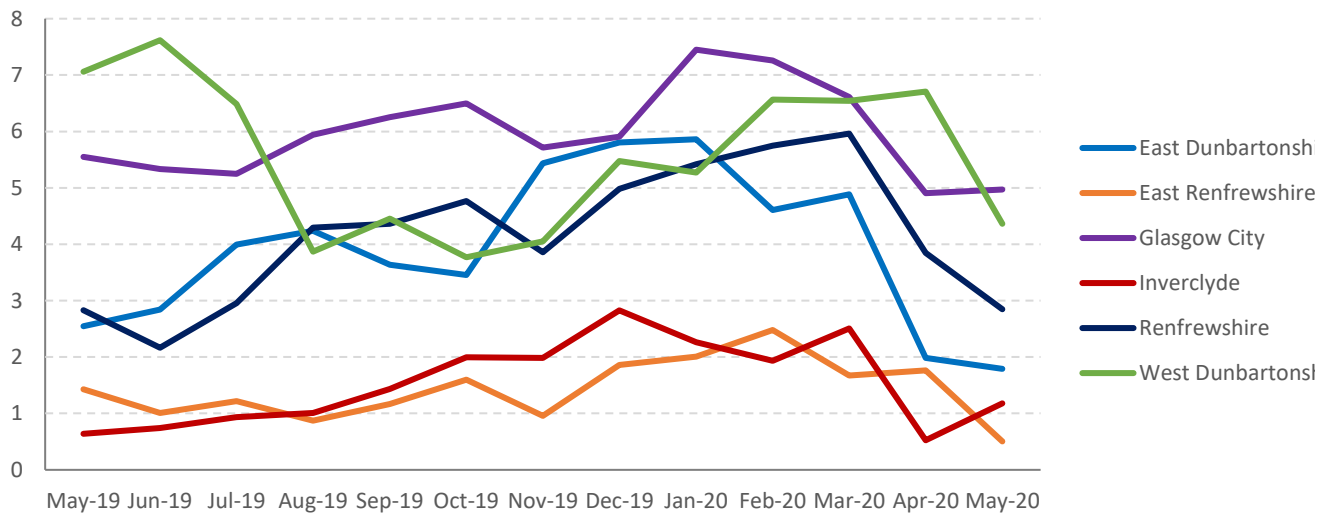


**East Dunbartonshire Number of Delayed Discharge Bed Days**



The chart below illustrates that East Dunbartonshire had the third lowest level of delayed discharge bed days in the Board area.

**GG&C Delayed Discharge Bed Days Rate per 1,000 May 2019 - May 2020**



**1.6** Going forward, East Dunbartonshire HSCP will continue to utilise the resources and processes in place prior to the Covid-19 pandemic’s onset to management unscheduled care performance. Most elements of the improved performance in relation to key indicators (as illustrated above) are a positive bi-product of the pandemic and may mask hidden demand which is yet to be experienced by the services as people come out of lock down. Board-wide, the 6 GG&C partnerships and the acute sector are working to understand the behaviour of patients during the pandemic and to retain any positive changes in practice which may influence or facilitate continued improvements in performance.