



south ayrshire
health & social care
partnership

Integrated Joint Board Annual Report and Accounts 2019-20



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Management Commentary

Introduction

This publication contains the financial statements of South Ayrshire Integration Joint Board ('the IJB') for the year ended 31 March 2020. The Management Commentary outlines the key messages in relation to the IJB's financial planning and performance for the year 2019-20 and how this has supported delivery of the IJB's strategic priorities. This commentary also looks forward, outlining the IJB's future financial plans and the challenges and risks which we will face as we continue to engage further with communities and families to build resilience and a partnership approach to health and wellbeing.

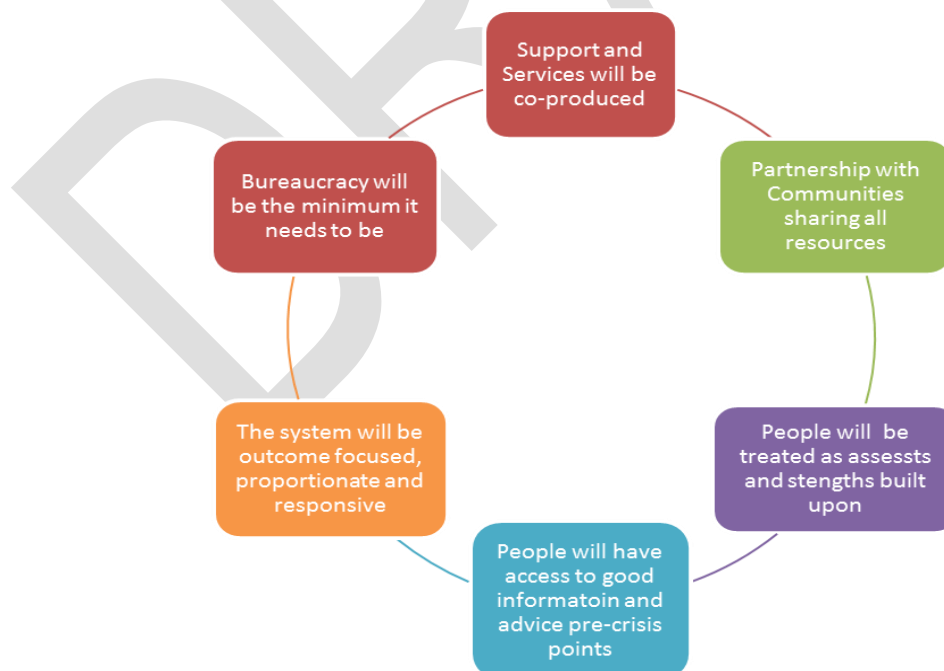
South Ayrshire Health and Social Care Partnership (SAHSCP/the Partnership) is the name given to the service delivery organisation for functions which have been delegated to the IJB as defined in the Integration Scheme. The IJB is a separate legal entity in its own right and is responsible for planning and overseeing the delivery of a full range of community health and social care services. The IJB is responsible for allocating the integrated revenue budget for health and social care in accordance with the Strategic Plan priorities and oversees the service delivery for functions delegated to both South Ayrshire Council and the Health Board.

Our current Strategic Plan covers the period 2018-2021 sets out our strategic objectives to deliver the National Health and Wellbeing Outcomes prescribed by Scottish Ministers.

Our Partnership vision statement is:-

“Working together for the best possible health and wellbeing of our communities”

Our vision will be rooted in the following principles:-



Strategic Plan 2018-2021

The strategic planning period sets out continued drive for transformation in services and in the way that support is provided, with greater emphasis on care at home and support in the community, rather than in a hospital setting. This requires further integration of service and new different ways of working, not just within the public sector, but across all sectors.

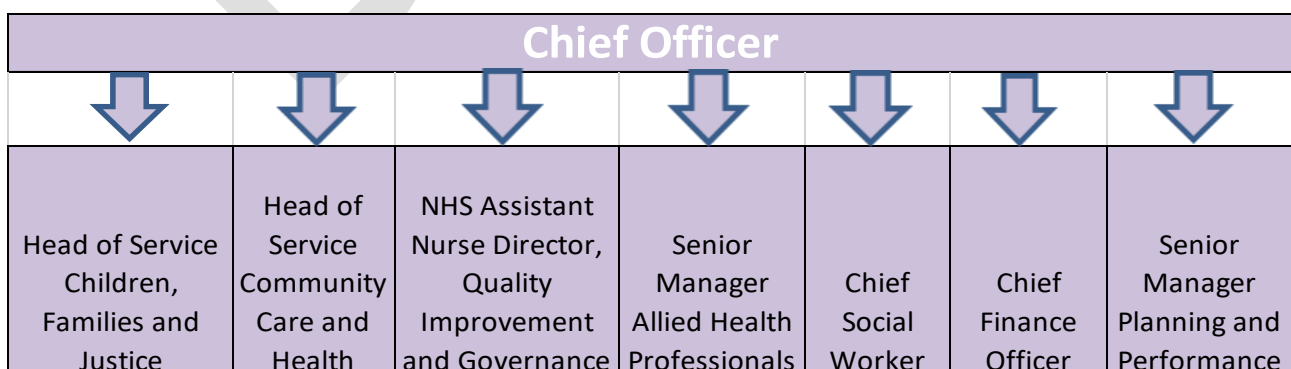
The plan includes integration with our Community Planning Partners around the delivery of services with a particular focus on child protection, looked after children and care leavers.

We have identified 7 strategic objectives designed to deliver against the National and Local Outcomes and against which we can measure and report progress through. This document and our Annual Performance Report demonstrate how we have supported delivery of our strategic objectives.

- ⇒ Protect vulnerable children and adults from harm
- ⇒ Work to provide the best start in life for children in South Ayrshire
- ⇒ Improve outcomes for children who are looked after in South Ayrshire
- ⇒ Reduce Health Inequalities
- ⇒ Shift the balance of care from acute hospital settings to community settings
- ⇒ Support people to exercise choice and control in the achievement of their personal outcomes
- ⇒ Manage resources effectively, making best use of our integrated capacity
- ⇒ Give all our stakeholders a voice

The IJB's focus this year has been on achieving financial sustainability through early intervention and prevention, defining new ways of working to enable people to be supported in the community.

The management structure of the partnership saw a few changes during the year starting with a new Head of Service for Children, Families and Justice Services appointed in May 2019. Towards the end of the year the following posts were also filled Chief Social Work Officer, Senior Manager Planning and Performance and Chief Finance Officer in February 2020. The structure supports integration with all Heads of Service and Senior Managers having responsibility for both health and social care throughout adult and children's services. The new appointments will better support the transformation agenda and enhance governance and regulatory requirements required to be adhered to effect change.



South Ayrshire Demographics

POPULATION AND PROJECTIONS

Understanding the population is key to development of the Strategic Plan and ensuring allocation of resources to areas of need to keep local people, safe, well and content in their local communities.



South Ayrshire Population
112,610

The population is expected to decrease to 110,612 (1.7%) by 2028
(National Records of Scotland - June 2019)

Population split into Age Groups:-



19,796 (18%)
Children Age 0 -17



64,070 (56%)
Adults Age 18 -64



28,744 (26%)
Adults Age 65+

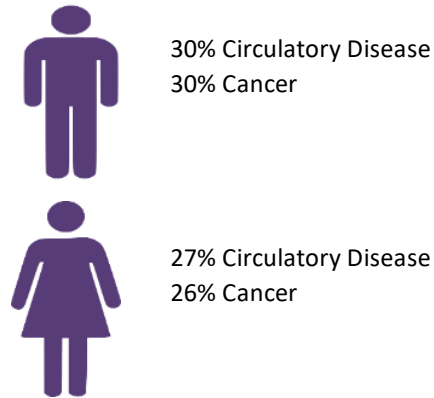
The projected population at 2039, will see a significant increase in over 65's by 21%, with the 75 and over age group estimated to increase by 82%, this is offset by a decrease in children and those of working age (19%). South Ayrshire also, has the highest proportion of 100+ in Scotland

LIFE EXPECTANCY



Life Expectancy (2016-2018)

Main Cause of Death 2015



SPECIFIC HEALTH CONDITIONS

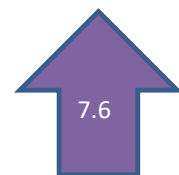
Dementia

PREVALENCE RATE FOR DIAGNOSIS
1.03 PER 100 SOUTH AYRSHIRE (0.8
PER 100 SCOTLAND 2015/16)



Depression

HIGHER LEVELS OF DEPRESSION IN
SOUTH AYRSHIRE 7.6 PER 100
COMPARED TO 6.3 PER 100 ACROSS
SCOTLAND



Drugs

INCREASE IN DRUG RELATED DEATHS
IN SCOTLAND TO 1,187 CAUSED BY
ILLEGAL DRUGS. In 2018 there was 15
deaths in South Ayrshire



Learning Disabilities

6.4 PEOPLE PER 1,000 ADULT
POPULATION IN SOUTH AYRSHIRE
HAVE A LEARNING DISABILITY
SCOTLAND = 5.2 (2017)



Key Messages and Operational Highlights for 2019/20

All of the above characteristics impact on the demand for services commissioned by the IJB currently and in the future. During this year we have remained committed to continually improving our services, focussing on an approach based on early intervention, prevention, anticipatory care planning, the innovative use of technology. Offering choice and control for individuals over the way in which care is provided and joint working with communities through locality planning, to ensure that people are able to support their own health and wellbeing by means of resources and support networks available within their local communities. These approaches are aligned to our strategic objectives and the following provides key highlights in our progress this year.

Protect Vulnerable Children and Adults from Harm

The Child Protection Committee and Adult Protection Committee report to the Chief Officers Group (COG). Children are placed on the child protection register when there are significant concerns for their safety, at the end of October the number of children on the Child Protection Register was 31, showing an improving trend compared to 37 last year. Adult Support and Protection referrals completed within 5 working days are improving with 83% now completed within this time period.

During the year, the South Ayrshire Alcohol and Drug Partnership's multi-disciplinary group developed a new process for carrying out in-depth reviews of all suspected drug related deaths, increasing the local understanding of the protective and contributing factors of drug related deaths, in order to progress towards preventative activities to reduce drug deaths in South Ayrshire. Innovative approaches include the new Assertive Outreach and Intensive Support Multidisciplinary Team who aim to provide intensive and flexible support for vulnerable people who may be disengaging from alcohol or drugs services, who have had recent contact with emergency services or who may be at risk of an alcohol or drug related death. The ADP is also piloting a peer-led Policy Custody Referral project, where peers with lived experience of alcohol and drug misuse, visit individuals in police custody to offer support and information.

Work to provide the best start in life for children in South Ayrshire


The Universal Health Visiting Pathway has been fully implemented, this has led to an increase in contact with families, which has enabled early intervention approaches to be used. The latest trends show an improvement from 69.2% to 75.5% of children reaching developmental milestones at the time of their 27 - 30 month health review. South Ayrshire performance is higher than the National level.







Improve outcomes for children who are looked after in South Ayrshire

South Ayrshire Champions Board consists of partnership staff and a range of volunteers all of whom have care experience. The Board was set up to develop new ways of working with care experienced young people, by engaging young people in meaningful conversations and building successful relationships, the main aim to give the young people an opportunity to be heard and listened to by care staff and policy makers. The board is able to inform policy changes that will enhance care delivery and ultimately the outcomes of current and future care experienced children. During the year 66 young people with care experience regularly took part in Champions Board activity, support for mental health and wellbeing has been introduced providing an additional layer of important support, one to one support and use of social media has extended the engagement with our Facebook now at 4,000 users, an increase of 100%.

5 Things young people told us

- 100% feel really happy in Belmont Champions Board Group
- 100% think that people in Belmont Champions Board group notice when they are good at something
- 100% feel most of the group like them
- 100% believe there is an adult in the Champions Board group they can talk to about problems
- 100% feel other young people in the group like them the way they are


SOUTH AYRSHIRE CHAMPIONS BOARD

 KIND  POSITIVE  YOURSELF  KIND  POSITIVE  YOURSELF

Because of you I'm me today a confident boy who now has more than he ever thought he'd have

The Champions Board helps me to help others to understand care it also helps me to look at my life and realise the positives

The Board delivered awareness raising and training raising sessions to 576 participants, these sessions are designed and delivered by people who have lived experience of care and promote relationship-based practice. Alongside this they influenced change in policies relating to employability, housing and education, and secured £24k in small grants for 124 young people.

This year the Board attended the European Social Network, in Portugal to share innovative practice and policy, and had opportunity to share their achievements and how this has improved services.

A new Head of Service for Children and Families was appointed at the beginning of the year. A key early challenge has been to review and where possible, support a number of young people in more local settings rather than high cost external placements. New ways of working were implemented focussing on reducing external placements through early intervention, increased reviews and greater scrutiny of placements. As a result there was an overall net reduction of 8 external placements.

During the year, approval was given for a Children and Families Transformation programme, including the "Whole Family, Whole System Approach" to enable the partnership to work alongside education and health following an early intervention approach, that will develop systems and processes to support keeping families together and improve wellbeing and outcomes for children. Along with the implementation of a new strengths-based model, "Signs of Safety", this will contribute to cultural change to embed new practice that will build upon community and family assets.

Reduce Health Inequalities

Community Link Workers are working alongside mPower (INTERREG VA Programme) to support people over age 65 who are living with long-term health conditions. Services include development of wellbeing plans, support self-management, link in with activities available in the community and introduce new technology to enhance health and wellbeing.

Living in poverty has a negative impact on health and wellbeing, ill health can trigger a range of worries about money, effect on wages, benefits, paying the rent and food and fuel bills. A Financial

Inclusion Pathway to money advise was developed during the year to make it easier for staff to refer people for money advise, support and welfare benefits.

This year we launched our Social Isolation Strategy which covers the period 2019 – 2027. The strategy will initially focus on supporting older people who are lonely and isolated. Activities within the strategy are based around preventing people from becoming lonely and socially isolated, responding to those who are experiencing poor social or health outcomes due to social isolation.

Shift the balance of care from acute hospital settings to community settings

During the year there has been an increase in delayed discharges. The Scottish Government Ministerial Strategic Group has set a performance measure based on delayed discharge bed day rate per 1,000. As at March 20, there was a 56.5% increase in bed days, against an objective of a 25% increase limit.

Biggart Hospital is a community hospital whose main premise is rehabilitation of patients, to enable them to get back home with or without community supports. At the start of the year, the hospital was experiencing high levels of delayed discharges partially due to the financial resources available to commission additional community- based care. In shifting the balance of care to the community an operational decision was made to close 12 beds in the hospital and transfer the funding to care homes, reducing the number of beds from 83 to 71. The Chief Executive of Ayrshire and Arran Health Board facilitated a further 34 discharges from the hospital by providing funding for 34 care home placements, at the end of the year 26 placements remain. Health have committed to continue to fund these placements for their duration. Unfortunately, due to pressures within the acute hospital the Biggart Hospital beds were gradually increased back to 83. Resulting in additional supplementary staffing levels due to the additional beds and the increased level of needs of the patients, requiring one to one support and extensive nursing care.

Working alongside the Council's Housing Services and in line with the Strategic Housing Investment Plan (SHIP), a number of supported accommodation developments are in progress. This year saw the opening of a core and cluster supported accommodation model within Girvan, supporting 11 people, with shared support. People have their own tenancies promoting individual choice, control and independence whilst a communal hub and on-site care provided by an external provider, ensures people are supported and share a sense of community.

Support people to exercise choice and control in the achievement of their personal outcomes

A review of our Self-Directed Support processes was undertaken aligning assessment materials to Community Led Support principles and the implementation of Carefirst. The result is revised processes, including a Resource Allocation System that provides service users with an indicative budget, with which to use as a guide of available funding to plan their care and support needs. Further developments, including costing service packages and training to be carried out in 2020/21.

Our reablement service has continue to provide good results, with 30% of service users fully reabled ie. requiring no further care, following a period of reablement. This service optimises peoples' independence and allows them to stay at home healthier for longer. Along with releasing pressure on the care at home mainstream service, whose focus is on maintaining service users at home.

Manage resources effectively, making best use of our integrated capacity

The Community Advisory Pharmacy (CAP) Technician Service won the Integrated Care Award at the Scottish Health awards, for recognition of their partnership working with other care professionals and their work in the community visiting patients at home, reviewing their medicine needs and wishes with onward referral to other services if required. This enables the person to live in the community with support to meet their needs.

They make such a difference to patient's lives at home. The service is health and social care integration at its best.

Alex McMillan (Community Pharmacy Adviser)

Technology developments have continued during the year. Carefirst is now live in Children and Families services, recording all data relating to children in one place, this has improved reporting performance on a timely basis, enabling workers to access records timely and view case notes electronically. The development of Adult Services on Carefirst was making good progress during the year, with the assessment materials and the Resource Allocation System developed on Carefirst, with the next stage the financial module. Due to the impact of the COVID pandemic and the resultant social distancing measures and prioritisation of work, the training and full implementation was paused for a few months. Plans are now in place to restart the development and virtual training sessions have been arranged for the finance module.

The Care at Home Services, introduced a call monitoring system, CM2000, this system enables scheduling and monitoring of care at home services. During the year this was rolled out in 2 of the localities with benefits seen in scheduling care, allowing for efficiencies to be made in labour intensive rota planning and communicating changes to workers. Lessons from the internal implementation will be learned to move to the next stage of implementation with external providers, which has been delayed this year due to the delay in the contract framework being awarded.

The Partnership, approved their first Workforce Plan for the period 2019-22, this provides a framework for the partnership and our partner organisations, to ensure that the staffing available supports our developing agenda and there is suitably experienced, skilled, resourced and professional workforce to meet the significant challenges that exist in the health and social care sectors in Ayrshire.

Caring for Ayrshire was launched in February 2020, this is a vision outlining how Health and Social Care will be delivered over the next 10 years, within Ayrshire and Arran. The vision was developed following a series of public engagement events over the last 12 months, priorities include the need for easy, timely access to local, person-centred, high quality care, that is supported by a range of joined up services.

Give all our stakeholders a voice

During the year the Adult Carers Strategy for the period 2019-2024 was launched. This was developed in collaboration with carers, staff and partners including South Ayrshire Carers Centre, Crossroads and Ayrshire Hospice. Carers make an invaluable contribution to supporting those in their local communities. This year local Carers Days were hosted to celebrate and highlight their work. The Carers Centre have a worker based at Ayr Hospital assisting with hospital discharges alongside the social work team, this pilot approach is aimed at supporting families through the process, offering advice and support.

The development of the proposed Adult and Older Peoples Service Improvement Strategy: Fit for the Future 2019-2023, included insights from older community members and their lived experience of using local health and social care services.

The Integrated Joint Board's Integration Scheme was reviewed and update following public consultation and review by members of the board.

Coronavirus Pandemic Response

In early March, we became aware of the threat of COVID-19 to the UK, the Senior Management Team were meeting regularly to plan our response. As the scale of the outbreak intensified, and working from home became the new normal for the team daily teleconferences are now held to discuss key issues as they are emerging and planning implementation of the specific national guidance as it is being produced.

At time of writing, the Chief Officer and Chief Finance Officer are acting with delegated powers to make key decisions. The Integrated Joint Board have been kept up to date with decisions taken, national guidance and our progress in responding to the virus.

A local mobilisation plan was created, detailing the financial impact of the activity necessary to respond to COVID. The plan provides a focal point for the partnership's response to the pandemic, and allows senior management to track progress and costings against key actions. Included in the plan are the additional costs HSCP's will incur as a result of managing and responding to the pandemic, and cost implementing new legislation. SAHSCP plan currently stands at £4.825m with £1.090m received from the Scottish Government to date.

Early focus was placed on reducing delayed discharges, to minimise the pressure on the health and social care system in preparation for increased admissions to acute settings. The Scottish Government set an initial target to reduce delayed discharges by 400 across Scotland by the end of March 2020, with a further target of an additional 500 by the end of April 2020, this was from a baseline of 1,612 delayed discharges on 4th March 2020.

Within South Ayrshire the delayed discharges at 4th of March were 76. As at the 22nd of April they had reduced to 27, a decrease of 62% in line with expectations of Scottish Government. In order to achieve the reduction, we had to commission additional care home beds and care at home provision. The additional costs will be met by the Scottish Government through the mobilisation plan.

As a result of social distancing measures, some services, had to cease. Where possible innovative solutions were put in place using technology to communicate with service users, holding quizzes and exercise classes on-line. Communications are emailed out to all commissioned providers, thrice weekly, providing them with updates in practice and links to useful websites. Weekly teleconferences are also undertaken giving providers an opportunity to ask any questions. During the calls information is provided on operational issues and financial assistance, including developments in new legislation relating to financial sustainability for providers. COSLA provided commissioning guidance to ensure financial sustainability, this has been implemented including an increased hourly rate, payments for additional PPE costs, payments to care homes due to fall in occupancy levels. All these additional costs are included in the mobilisation plan, and the principles for these payments are to be reviewed at the end of July 2020.

Following new guidance on required personal protective equipment PPE, led to an increase in volumes required to be purchased. Working in partnership with council and NHS procurement

teams, three pathways for access to PPE were identified, to ensure all NHS, staff, third sector providers and carers receive relevant PPE, in the right volume at the right time. We created a PPE hub by utilising an existing building used by Justice Services that was vacant due to the pandemic.

Technology was sourced to enable staff to work from home, through working in partnership with both NHS and Council IT teams.

Workforce requirements were identified and addressed, via the “Silver” staffing group. This group developed workforce requirements for the community hub, whose job is to receive and respond to referrals from Primary care COVID-19 Clinical Assessment Centre. Remobilisation plans were developed to redeploy existing staff to areas of need.










The response to the COVID pandemic, has seen new way of working emerging quickly and rapidly, relationships developing with wider services in partner organisations and with external providers, overall there has been an increased sense of partnership working to get things done.

As we move into Phase 2 mobilisation plans need to ensure that where services can resume this is done safely following social distancing rules and hospitals have the capacity to deliver emergency and urgent care, whilst maintaining flexibility to respond to any changes in COVID 19 activity. The NHS have published a document Re-mobilise, Recover and Redesign: The Framework for the NHS in Scotland, this sets out the positive changes that have been introduced and ability to care for more people in the community and how the use of technology and imbedded integration approaches can be developed going forward. In Ayrshire this links in to the Caring for Ayrshire vision which will build on transformation of services for the future.

2019-20 Performance Achievements

Performance reports are presented to the Performance and Audit Committee twice a year and an Annual Performance report presented to the IJB, due to the COVID pandemic, and prioritisation of resources to manage and report on the on-going crisis, the annual performance report has been delayed until the end of September 2020.

Performance information drives improvement with an outcomes focus on improving how services are provided, as well as the difference that integrated health and social care services should make to individuals. In our performance monitoring and reporting we show trends over time, where we are against target and where available, how we compare nationally. We monitor against all agreed national indicators, including Ministerial Steering Group Indicators (MSG) and HSCP National Health and Wellbeing Indicators, as well as a range of locally defined measures. The latest performance against some of the National Health and Wellbeing Indicators, is shown below.

	National Indicators		South Ayrshire	Scotland	RAG Status
	Data Indicators	NI -11	Premature mortality rate per 100,000 persons	419 (2018)	432 (2018)
NI -12		Emergency admission rate (per 100,000 population)	17,619 (2019)*	12,602 (2019)*	
NI -13		Emergency bed day rate (per 100,000 population)	159,814 (2019)*	117,478 (2019)*	
NI -14		Readmission to hospital within 28 days (per 1,000 population)	122 (2019)*	104 (2019)*	
NI -15		Proportion of last 6 months of life spent at home or in a community setting	88% (p)	87% (p)	
NI -16		Falls rate per 1,000 population aged 65+	22.8 (2019)*	22.7 (2019)*	
NI -17		Proportion of care services graded 'good' (4) or better n Care Inspectorate inspections	80% (2019/20)	82% (2019/20)	
NI -18		Percentage of adults with intensive care needs receiving care at home	61% (2018)	62% (2018)	
NI -19		Number of days people spend in hospital when they are ready to be discharged (per 1,000 population)	1,756 (2019/20)	793 (2019/20)	
NI -20		Percentage of health and care resource spent on hospital stays where the patient was admitted in an emergency	27% (2019)*	23% (2019)*	
NI -21		Percentage of people admitted to hospital from home during the year, who are discharged to a care home	Indicator Under Development		
NI -22		Percentage of people who are discharged from hospital within 72 hours of being ready	Indicator Under Development		
NI -23		Expenditure on end of life care, cost in last 6 months per death	Indicator Under Development		

* Data for 19/20 is not yet available. Data reported is for calendar year 2019.
(p) provisional figures

Ministerial Strategic Group Performance Indicators

The Ministerial Strategic Group for Health and Community Care, carried out a review of progress of integration within health and social care, this involved the Health and Social Care Partnership completing a self-evaluation template. The template considered local progress on the key features of integration below.



The local evaluation, highlighted areas for improvements, an action plan was created, with 31 actions to improve performance in Collaborative Leadership and Building Relationships and Integrated Finances and Financial Planning. An Action Plan was developed, with progress being reported to the IJB Performance and Audit Committee in November. As at end of January, 10 actions were complete, 1 was on target for completion and 20 were slightly adrift as they were reliant on the new senior manager posts being filled to progress the action.

2019-20 Performance Areas for Improvement

There are a number of performance indicators, that have been challenging as a result of the demographics of the population and demand pressures. We recognise where we could do more and are investing in specific areas to address the performance issues. Work is underway analysing the current delayed discharge process and implementing lessons learned from the COVID response.

The key areas off target for 2019-20 are:

- Number of emergency admissions and length of stay in hospital
- Number of days people spend in hospital when they are ready to be discharged
- The level of resource spent on hospital stays when a patient was admitted in an emergency

Annual Accounts

The Annual Accounts set out the financial statements of the IJB for the year ended 31 March 2020. The main purpose is to demonstrate the stewardship of the public funds that have been entrusted to the IJB for the delivery of its vision and strategic priorities as outlined in the Strategic Plan. The requirements governing the format and content of the Annual Accounts are contained in The Code of Practice on Local Authority Accounting in the United Kingdom (the Code), the Annual Accounts for 2019–20 have been prepared in accordance with this Code.

Financial Performance

Financial information is part of the performance management framework with regular reporting of financial performance to the IJB. This included an integrated approach to financial monitoring, reporting on progress with savings delivery, financial risks and any variations and changes to the delegated budget.

There was significant progress during the year in implementing new ways of working, focusing on early intervention and prevention and transferring care to community settings, however the full financial impact of this work will not be seen immediately. The increasing demand on older people services, has meant the eligibility criteria for statutory care has remained at critical. The change in focus of children's service to early intervention approaches, led to a reduction in young people placed in out with authority placements towards to the end of the year, the financial impact of this has been factored into the Budget for 20/21.

As well as an increase in demand, additional financial pressures arose from unanticipated expenditure, as a result of prior year invoices not being accrued, further unexpected costs were incurred as a result of Kyle Day Centre remaining open. These two factors resulted in an additional unbudgeted expense, from this perspective, it became apparent towards the end of the year, that the only way to balance the budget, would be to reduce the payback of prior year's debt. Approval from the Council's Leadership Panel was gained in February 2020 to realign the debt over three years, commencing in 2020/21.

The overall financial performance against budget for the financial year 2019-20 was an underspend of £0.411m, (£0.694m underspend in Health offset with a £0.283 overspend in social care services). This position includes a pay back of £0.291m of the £3.277m debt, the remaining balance will be paid over the next three years. The underspend of £0.411m is for earmarking for use in future years.

It is essential that the IJB operates within the delegated budget and commissions services from the Council and Health Board on that basis. Significant progress has been made during 2019-20 to ensure the ongoing financial sustainability of the IJB. This work will continue and be built upon moving into 2020-21.

Key successes for 2019-20 include:

- Repayment of the outstanding debt to the Council has commenced, although less than the £0.819m planned, a contribution of £0.291m was made to the outstanding debt
- Overall reported surplus allows for the earmarking and protection of ring-fenced funding for Scottish Government priorities
- Savings totalling £4m were delivered in-year, against an approved savings plan of £5.5m, £1.2m of these savings have been addressed in the 20-21 budget.

- Progress with reducing the financial overspends in 2019-20 which will have an impact on the financial plans and sustainability for future years.
- Social Care services supporting older people in the community remained within budget, following a significant overspend in prior year
- Approval of Medium-Term Financial Strategy, including transformation activities
- Review and update of the Integration Scheme

Strong financial leadership will continue to be required to ensure that future spend is contained within the budget resources available, and the IJB moved into 2020-21 with an approved balanced budget.

2018-19 Budget £0	2018-19 Actual £0	Variance (Adv) /Fav £0	Service	2019-20 Budget £0	2019-20 Actual £0	Variance (Adv) /Fav £0
59,268	61,105	(1,837)	Community Care and Health	61,312	62,164	(852)
39,540	39,463	77	Primary Care	42,505	42,381	124
27,257	26,967	290	Mental Health Services	28,583	27,624	959
24,059	25,547	(1,488)	Children and Justice	24,991	25,930	(939)
1,667	1,595	72	Hosted Services	1,352	1,488	(136)
1,834	1,735	99	Integrated Care Fund/Delayed Discharges	1,793	1,674	119
5,964	6,502	(538)	Support Services	7,067	7,105	(38)
159,589	162,914	(3,325)	TOTAL EXPENDITURE MANAGED BASIS	167,603	168,365	(762)
24,396	24,396	0	Acute Hospitals	24,884	24,884	0
38,071	38,022	49	Lead Partnership Allocations	38,203	37,558	645
			Prior Years Additional Funding	819	291	528
222,056	225,332	(3,276)	TOTAL EXPENDITURE IJB	231,509	231,098	411
			Earmarking	0	411	(411)
222,056	225,332	(3,276)	TOTAL EXPENDITURE IJB	231,509	231,509	0
(222,056)	(225,332)	3,276	TOTAL INCOME	(231,509)	(231,509)	0
0	0	0	OUTTURN ON AN IJB BASIS	0	0	0

The table above summaries the financial performance for 2018-19 and 2019-20. This highlights the budgeted outturn on a managed basis and IJB as a total including the acute hospitals, set aside

budget. Adjustments have been made for the net impact of the lead partnership allocations across North, South and East Ayrshire and the Earmarked balances to be carried forward into 2020-21.

The main variances during 2019-20 are noted below:

Community Care and Health – overspend of £0.852m relates mainly to the overspend within Biggart Hospital due to funding for beds moved to the community, beds were then reopened to relieve pressure within acute settings. Supplementary staff were used to support the unfunded beds and support patients requiring an increased level of nursing care.

Primary Care –underspend of £0.124m due to underspends in contracts.

Mental Health Services – underspend of £0.959m mainly due to underspends in social care packages, with a number of high cost care packages ceasing during the year, along with reduction in residential placements.

Children and Justice Services – overspend of £0.939m due to an overspend in residential and familial placements with out with authority providers, this type of care is more expensive. During the year progress has been made to reduce these placements providing better outcomes for the children and reducing costs at the same time.

Hosted Services – overspend of £0.136m as a result of an increase in volume of purchases through the community equipment store.

Integrated Care Fund – underspend of £0.119 mainly due to staff vacancies in year.

Lead Partnership Services

The final outturn is adjusted to reflect the impact of Lead Partnership Services. During 2019-20 agreement was reached with the other Ayrshire partnerships that in the absence of detailed service activity information and alternative risk sharing arrangements that the outturn for all Lead Partnership services would be shared across the 3 partnerships on an NRAC (NHS Resources Allocation Committee) most suitable for the services they lead on. For North, lead partner for Mental Health Services, allocation based on Mental Health NRAC, East lead partner for Primary Care services, allocation based on Prescribing NRAC and for South lead partner for community store, family nurse partnership and continence team allocation based on Community NRAC. The outturn of the lead partnership services for each IJB is provided below, this includes funds to be earmarked for Action 15 and Primary Care Improvement Fund (PCIF). The underspend for South Ayrshire IJB reflects the impact of the reallocating our share of Lead Partnership overspends, and receiving share of East and North's outturns.

IJB	£'000	
South	645	Underspend
North	141	Underspend
East	(111)	Overspend

Set Aside

The Integration Scheme establishes that pressures in respect of large hospital set aside budgets will be managed in-year by NHS Ayrshire and Arran. The 2019-20 budget delegated by NHS Ayrshire

and Arran includes the set aside resource of £24.884m, this year this is based on Information Services Division Scotland (ISD) 2018-19 activity data at 2017-18 prices with a 7.5% uplift applied. As such, the Set Aside sum included in this year's accounts does not reflect actual hospital usage in 2019-20, this is due to resources within the ISD team being allocated to COVID priorities. There is an expectation that each partnership will move towards its NRAC 'fair share' of resources.

IJB	Set Aside 2019-20 £m	NRAC %	NRAC Budget Share 2019-20 £m	Over / (Under) NRAC Fair Share £m
East Ayrshire	24.024	32.40%	26.152	(2.128)
North Ayrshire	31.807	36.80%	29.703	2.104
South Ayrshire	24.884	30.80%	24.860	0.024
Total	80.715	100%	80.715	0.00

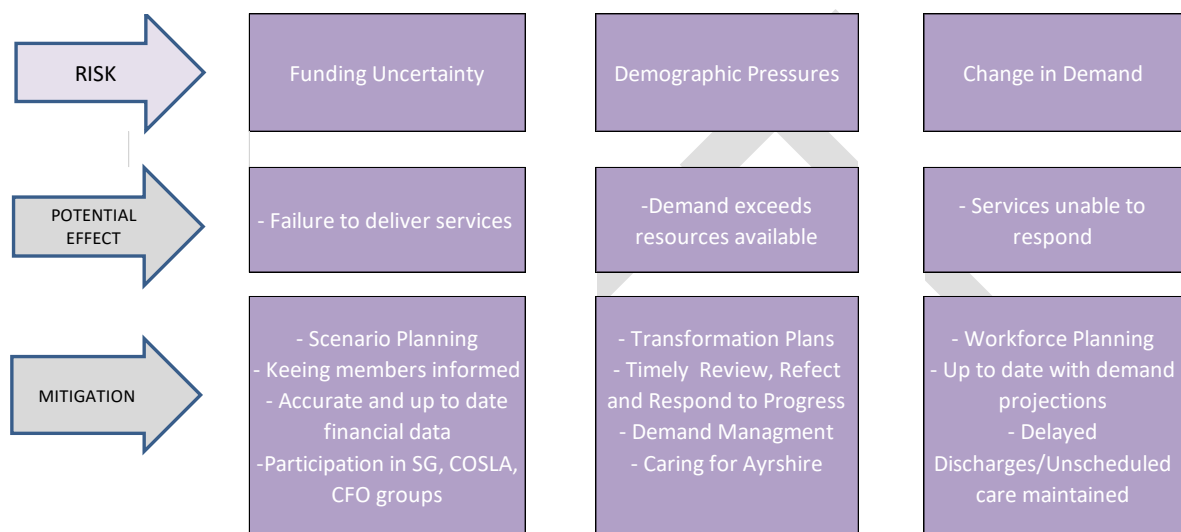
Financial Outlook, risks and plans for the future

The IJB's Medium-Term Financial Plan assumed future funding levels on annual uplifts of 2.6% from the Scottish Government. Expenditure levels were based on the Medium Term Health and Social Care Financial Framework published by the Scottish Government in October 2018, which sets out the future shape of Health and Social Care demand and expenditure. Within the report it outlined that the Institute of Fiscal Studies and Health Foundation reported that UK spending on healthcare would require to increase in real terms by an average of 3.3% per year over the next 15 years to maintain NHS provision at current levels, and that social care funding would require to increase by 3.9% per year to meet the needs of a population living longer and an increasing number of younger adults living with disabilities. The report recognised that despite additional planned investment in health and social care the system still needs to adapt and change.

During the pandemic, additional funding has been made available by Scottish Government for specific purposes to keep the social care sector financially sustainable as well as financial remuneration for the social care workforce. This funding is available on a temporary basis, and reserves set aside for specific purposes may have to be used to fund the additional cost of COVID this will put further pressure on Mental Health, Primary Care and Addictions budgets. These services are key for the pandemic recovery phase, as it is becoming apparent these are areas of most need that will provide key support in early intervention and prevention. Without investment in these areas, other services will be put under pressure to cope with demand at a critical need, which will also be incur higher costs.

Availability of funding for public service correlates with economic growth, current forecasts are that the United Kingdom is heading for worst recession on record. This will mean uncertainty in funding available for public services. Also an increase in deprivation places additional demand for health and social care services.

The most significant risk facing the IJB over the medium to longer term is the uncertainty of funding available, alongside the changes in demand for services following the pandemic. Early indications are that some survivors of the pandemic will require extensive rehabilitation placing demand on Allied Health Professionals and Mental Health services. As well as meeting changes in demand, we have to ensure we are responsive to any increases in COVID infection whilst maintaining an ability to meet the needs of increasing demand from demographic pressures. It is imperative that to manage the risks effective planning and managing of resources is top priority.



Caring for Ayrshire vision, is the plan for the future, working with communities to support improved health and wellbeing and provide the people of Ayrshire with the right care, in the right place at the right time. Opportunities have arisen through the pandemic in creating different models of community based health and social care, new relationships have emerged during the pandemic. Services have been changed as a result with technology assisting and proving effective in managing people's health and care needs.

During 2020, we plan to develop our strategic plan taking cognisance of changes recently made as a result COVID 19 pandemic and planning what the future will look like for Health and Social Care developed in line with the Caring for Ayrshire vision, this will include a revision of the Medium Term Financial Plan.

2020-21 Budget

The Budget for 20-21 was based on business as usual, as at time of approval, the full effect of the pandemic was unknown. A balanced budget was set with investments approved in older people and children services, to meet increase in demand and support early intervention and prevention approaches. Financial risks were identified within Biggart Hospital and pressures from demand impacted by demographic changes, resulting in an increase in unscheduled care and delayed discharges, these risks will be closely monitored during 2020-21 through financial and performance reports.

The Scottish Public Health Observatory (ScotPHO) published a "COVID-19 Community Vulnerability briefing" on the 31st of March 2020, the analysis is based on demographic, social and clinical indicators, South Ayrshire has the highest Demographic Vulnerability Score, across the whole of

Scotland. This “demographic vulnerability” component identifies areas with particularly high proportions of their population aged 65,75 or 85 years and over. This statistic is further clarification of the demographic pressures that create demand for health and social care services.

We plan to deal with these challenges by:-

- Investing in our reablement services
- investing in out of hours services
- Investment into care at home and care homes

The continued development of our IT systems will enhance the reporting available and support management in planning and decision making.

Conclusion

Moving into 2020-21, the IJB has a significant challenge in shaping a “new normal” for health and social care particularly when future funding levels are unknown. The pandemic has seen the emergence of new ways of delivering care through increased use of technology, in some areas this has accelerated the pace of change what was already planned and in other service delivery areas this has proved an effective way of communicating both within operational teams and with service users and their families.

The lessons learned from responding to the pandemic and the ease at which we rapidly responded to emerging changes in work practices need to be harnessed and developed to ensure that we can keep delayed discharges to a minimum and unscheduled care at an acceptable level within the resources available. There are opportunities that have arisen through rapid change and implementation of new processes, systems development and relationships that can further imbed integration and transformation required going forward. These changes should be enablers to further shift the balance of care from institutional to community settings.

The budget plans for transformation within older people and children’s services will help manage demand for services in year, and hopefully mitigate any unexpected increase in demand following the pandemic. We will continue to plan ahead and prepare for a range of scenarios.

Where to find more information

If you would like more information on IJB strategies, plans and policies and our performance and spending, please refer to <https://www.south-ayrshire.gov.uk/health-social-care-partnership>

Statement of Responsibilities

Responsibilities of the Integration Joint Board

The Integration Joint 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 of (section 95 of the Local Government (Scotland) Act 1973. In this IJB, that officer is the Chief Finance Officer.
- Manage its affairs to secure economic, efficient and effective user 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 and Audit Committee on 28th of August 2020.

Signed on behalf of the South Ayrshire Integration Joint Board

Cllr Brian McGinley
Chair of the IJB

16th September 2020

Statement of Responsibilities

Responsibilities of the Chief Finance Officer

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

In preparing the Annual Accounts, the Chief Finance Officer has:

- Selected suitable accounting policies that were reasonable and prudent
- Made judgements and estimates that were reasonable and prudent
- Complied with legislation
- Complied with the local authority code (in so far it is compatible with legislation)

The Chief Finance 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 South Ayrshire Integration Joint Board as at 31 March 2020 and the transaction for the period covering 1st April 2019 to 31st March 2020.

Lisa Duncan
Chief Finance Officer
16th September 2020

Annual Governance Statement

Introduction

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

Scope of Responsibility

South Ayrshire IJB is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for and used economically, efficiently and effectively.

The IJB is also responsible for putting in place proper arrangements for the governance of its affairs and facilitating the effective exercise of its functions, which includes arrangements for the management of risk.

In discharging this responsibility, the Chief Officer has put in place arrangements for governance which includes the system of internal control. Reliance is also placed on NHS Ayrshire and Arran Health Board and South Ayrshire Council systems of internal control that support compliance with both organisations' policies and practices as well those of the IJB. Such systems are designed to manage risk to a reasonable level but cannot eliminate the risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable but not absolute assurance of effectiveness.

Purpose of the Governance Framework

The governance framework comprises the systems and processes, and culture and values by which the IJB is directed and controlled and the activities through which it accounts to and engages with the community. It enables the IJB to monitor the achievement of its strategic priorities and to consider whether those priorities have led to the delivery of appropriate, cost-effective services.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of South Ayrshire IJB's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The Governance Framework

The Board of the IJB comprises voting members, nominated by either South Ayrshire Council or NHS Ayrshire and Arran Health Board, as well as a non-voting members including a Chief Officer appointed by the Board.

The main features of the governance framework in place during 2019/20 are summarised below:

- The IJB, comprising all IJB Board members, was the key decision-making body. The Performance and Audit Committee considered all matters in relation to Internal and External Audit, Risk Management and Performance.
- Strategic decision-making is governed by the IJB's key constitutional documents including the Integration Scheme, standing orders, scheme of delegation to officers and financial regulations

- The Integration Scheme established between South Ayrshire Council and NHS Ayrshire and Arran Health Board to integrate Health and Social Care services is the constitutional basis of the South Ayrshire IJB. The scheme sets out the process to determine financial contributions by partners to the IJB. This has been supplemented by directives from the Scottish Government for Health and Social Care Integration. Our Integration Scheme required to be reviewed this year, a consultation with stakeholders was undertaken and the revised scheme ready for implementation in 2020/21.
- The IJB's vision, values and strategic objectives are set out in the South Ayrshire Integrated Joint Board Strategic Plan for 2018-2021, which contribute to the strategic priorities of the National and Local Outcomes defined in South Ayrshire Community Planning Partnership Strategic Plan and the Local Outcome Improvement Plan (LOIP).
- Locality Planning groups have been established in six localities within South Ayrshire, with aim towards changing balance of care by growing capacity in local communities and developing local assets to help deliver the National Outcomes for Health and Social Care. This is achieved through the locality planning group meetings identifying local needs and priorities, progress towards priorities is reported to the Strategic Planning and Advisory Group.
- The Strategic Planning and Advisory Group advise on content of Strategic Plan and review and comment on the development of policies across the full range of delegated functions.
- The IJB has adopted a "Code of Conduct for Members of Devolved Public Bodies" for all its board members and a register of members interests has been established. There have been regular briefing sessions this year including a presentation from the Scottish Government on meaning of Integration and roles and responsibilities of IJB Members. Other sessions on local issues such as new models of care for older people, supporting of palliative care in the community and transformation of children services allowing members to develop their understanding of the issues facing the IJB.
- Clinical and Care Governance has been in operation for the last year and is now fully established in line with Scottish Government Guidance, the group consists of a range of professionals and stakeholders to support clinical and care governance. The remit of the group is to provide assurance to the IJB on the quality of services delivered by the IJB, support governance of public protection, oversee processes to ensure appropriate action is taken in response to adverse events. The previous Clinical and Care Governance Sub Committee has now been discounted.

The System of Internal Control

The governance framework described operates on the foundation of internal controls. The system of internal financial control is based on a framework of regular management information, financial regulations, administrative procedures (including segregation of duties), management supervision, and a system of delegation and accountability. Development and maintenance of these systems is supported by NHS Ayrshire & Arran and South Ayrshire Council in relation to the operational delivery of health and social care services. In particular, these systems include:

- Financial regulations and codes of financial practice
- Comprehensive budgeting systems
- Regular reviews of periodic and annual financial reports that indicate financial performance against the forecasts
- Setting targets to measure financial and other performance
- Formal project management disciplines

- An effective Internal Audit function

The IJB's financial management arrangements conform to the governance requirements of the CIPFA statement: 'The Role of the Chief Finance Officer in Local Government (2014)'

Review of effectiveness

The Chief Internal Auditor of the IJB is also the Chief Internal Auditor of South Ayrshire Council and reports directly to the IJB Performance and Audit Committee on all audit matters, with the right of access to the Chief Officer, Chief Finance Officer and Chair of the Performance and Audit Committee on any matter. In accordance with principles of the code of corporate governance, regular reports were made to the IJB's Performance and Audit Committee during 2019-20.

The internal audit function has independent responsibility for examining, evaluating and reporting on the adequacy of internal control. During 2019–20, the partnership operated in accordance with relevant professional audit standards and the Public Sector Internal Audit Standards.

Review of Adequacy and Effectiveness

The Chief Internal Auditor's opinion on the overall adequacy and effectiveness of South Ayrshire Integration Joint Boards framework of governance, risk management and control was informed from the following sources:-

- the audit work undertaken by South Ayrshire Council's Internal Audit and Corporate Fraud team in previous years, during the year to 31 March 2020 and in the period after the year-end to date;
- The NHSAAA Health Board's assurance taken from audit work undertaken to date by the appointed internal auditors, Grant Thornton LLP;
- Work undertaken by the partners' external auditors; and
- Chief Internal Auditor's knowledge of the Board's activities for the year 2019/20.

The timing of the Covid-19 pandemic does not have an adverse effect on the internal audit opinion for 2019/20 as the audit assignment planned for the year was completed. As noted above, the period after the year-end date is also used to inform the evaluation of the governance, risk management and control environment. The Covid-19 pandemic has tested the IJB's risk management framework. It will be important for the IJB, at an appropriate time, to carry out a post-incident review and highlight any lessons learned from this unprecedented incident.

Based on the above, reasonable assurance can be provided over the framework of governance, risk management and control and that adequate controls were in place, and were operating throughout the IJB in 2019/20.

Review of Governance Arrangements

The audit assignment for 2019/20 was to review governance arrangements, including a review of actions against the Ministerial Strategic Group's action plan as well as the Internal Audit action plan from the previous governance review in 2015/16. The conclusion from the review, and the Chief Internal Auditor's opinion is that the level of risk that expected governance arrangements are not in place is medium. The medium risk refers to the fact that not all recommendations from the Ministerial Strategic Group (MSG) have as yet been fully implemented.

Governance Issues during 2019/20

In June 2019 as part of the budget setting process the IJB agreed that the Kyle Day Service should close as part of the efficiency measures. The closure proposal was part of a wider programme of service improvement signalled in the Learning Disability Strategy which have been approved by the IJB in 2017. The proposals were predicated on a business case which envisaged a saving to the HSCP even once replacement services were put in place for the current service users. Arrangements for the closure were made which included seeking alternative provision for service users which were affected and the application of Organisational Change arrangements to the staff employed in the service.

Following approval of the business case by the Council's Leadership Panel in October 2019 and the agreement to fund voluntary severance costs, the closure was planned for 31 December 2019. A number of staff were entitled to voluntary severance and left the council's employment at that date with the costs being met by the Council based on the payback period outlined in the extant business case.

The closure was halted following a ruling in the Court of Session in late 2019. A family for one of the service users successfully argued that there had been insufficient consultation prior to the decision to close the facility and that an appropriate EQIA had not been undertaken.

The HSCP has, as a consequence kept the day service open to service the needs of a small number of service users. A consultation process on the future of the service has been undertaken. The findings of the consultation have not yet been presented to the council's Leadership Panel as a result of the Covid 19 emergency. At present the service remains open.

In the light of the court ruling and the service remaining open, the conditions for the business case for closure could not be met and as a consequence the HSCP has required to fund the voluntary severance costs in 2019/20.

The circumstances around the closure proposal have provided an opportunity to further examine and strengthen a number of governance processes including those associated with public consultation and the decision-making relationship between the IJB and Council Governance Structures. Work is in progress to develop and publish clearer standard operating arrangements.

Further Actions

The IJB has identified the following actions for 2020–21 that will assist with the further strengthening of corporate governance arrangements:

- Develop a clear and concise Governance Framework detailing steps included in consultation, scrutiny, decision making and approval
- Continue to support the Pan-Ayrshire work on developing Directions for Lead Partnership services and implementing new processes defined during the year
- Develop commissioning plans and Directions in relation to the acute set-aside resources
- Build on the positive new methods of community engagement that have developed as a result of the coronavirus pandemic
- Improve the role of quality assurance on services commissioned by the IJB, learning from patient, service user and carers experience
- Review Risk Management arrangements and business continuity plans, following from lessons learned during coronavirus pandemic

- Put in place a plan to review, on a rolling basis, IJB key governance documents, including for example Directions, Standing Orders, Scheme of Delegation and Financial Regulations.
- Annual revision of the Medium Term Financial Plan reflecting latest intelligence and assumptions to support and inform future funding modelling and scenarios. This will be developed through meetings of the budget working group at regular intervals throughout the year

Conclusion and Opinion on Assurance

Subject to the above actions, and on the basis of the assurances provided, we consider the governance and internal control environment operating during 2019–20 to provide reasonable and objective assurance that any significant risks impacting on the achievement of our actions will be identified and actions taken to avoid or mitigate their impact.

Systems are in place to continually review and improve the governance and internal control environment and action plans are in place to address identified areas for improvement.

The Annual Governance Statement explains how South Ayrshire IJB complies with the Code of Corporate Governance and meets the requirements of the CIPFA / SOLACE Framework 'Delivering Good Governance in Local Government 2016' and the 'Code of Practice for Local Authority Accounting in the UK: A Statement of Recommended Practice', in relation to the Statement on the System of Internal Financial Control.

Tim Eltringham
Chief Officer
16th September 2020

Cllr Brian McGinley
Chair of the IJB
16th 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 IJB 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 auditor to ensure it is consistent with the financial statements.

Remuneration: IJB Chair and Vice Chair

The IJB comprises voting members appointed through nomination in equal numbers by NHS Ayrshire & Arran and North Ayrshire Council. A Chair and Vice Chair are appointed in accordance with the Integration Scheme and the Public Bodies (Joint Working) (Integration Joint Boards) (Scotland) Order 2014. As required in Article 4 of the Order the nomination of the IJB Chair and Vice Chair post holders alternates between a Council and Health Board representative, with the Vice Chair appointment by the constituent authority who did not appoint the Chair. Under the terms of the scheme the posts were required to rotate between Council and NHS Board this year. At the IJB meeting of the 19th of June 2019, Councillor Brian McGinley was appointed Chair of the IJB replacing Stewart Donnelly, and Linda Semple the Vice Chair, replacing Brian McGinley. The appointments will be for a period of 2 years.

The IJB does not provide any additional remuneration to the Chair, Vice Chair or any other board members relating to their role on the IJB. The IJB 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 IJB. Therefore, no remuneration disclosures are provided for the Chair or Vice Chair.

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

Remuneration: Senior Officers of the IJB

The IJB does not directly employ any staff in its own right, however specific post-holding officers are non-voting members of the Integration Joint Board.

Chief Officer

The appointment of an Integration Joint Board Chief Officer is required by section 10 of the Public Bodies (Joint Working) (Scotland) Act 2014 which includes the statement "an Integration Joint Board is to appoint, as a member of staff, a chief officer". The Chief Officer for the IJB has to be appointed and the employing partner has to formally second the officer to the IJB. The employment contract for the Chief Officer adheres to the legislative and regulatory framework of the employing partner organisation. The remuneration terms of the Chief Officer's employment are approved by the IJB.

Other Officers

No other staff are appointed by the IJB under a similar legal regime. Other non-voting board members who meet the criteria for disclosure are included in the disclosures below.

Total remuneration 2018–19 £	Name and post title	Salary, fees and allowances £	Taxable expenses £	Total remuneration 2019–20 £
112,078	T Eltringham Chief Officer	115,514	0	115,514
0	Lisa Duncan Chief Finance Officer	9,392	0	9,392
112,078	Total	124,906	0	124,906

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 IJB balance sheet for the Chief Officer or any other officers.

The IJB 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 IJB. The following table shows the IJB'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.

	In Year pension contributions			Accrued pension benefits	
	Year to 31/03/2019 £	Year to 31/03/2020 £		Difference from 31/03/2019	As at 31/03/2020
T Eltringham	21,631	22,294	Pension	3,683	58,430
Chief Officer			Lump Sum	3,000	105,264
L Duncan, Chief Finance Officer from Feb 2020 to March 2020	-	1,813	Pension	n/a	140
			Lump Sum	n/a	0
Total	21,631	24,107	Pension	3,683	58,570
			Lump Sum	3,000	105,264

Disclosure by pay bands

As required by the regulations, the following table shows the number of persons whose remuneration for the year was £55,000 or above, in bands of £5,000.

Number of employees in band	Remuneration band	Number of employees in band
2018–19		2019–20
1	£115,000–£119,999	1
-	£55,000 - £59,999	1

Exit Packages

There have been no exit packages in 2018/19 or 2019/20.

Tim Eltringham
Chief Officer
16th September 2020

Cllr Brian McGinley
Chair of the IJB
16th September 2020

Financial Statements

The **Comprehensive Income and Expenditure Statement** shows the cost of providing services for the year according to accepted accounting practices.

2018-19		2019-20		
Net Expenditure		Gross Expenditure	Gross Income	Net Expenditure
£0		£0	£0	£0
62,771	Community Care and Health	63,864	-	63,864
63,235	Primary Care	64,912	-	64,912
40,508	Mental Health Services	42,238	-	42,238
26,184	Children and Justice Services	26,421	-	26,421
1,735	Integrated Care Fund/Delayed Discharges	1,674	-	1,674
6,478	Support Services	7,078	-	7,078
24,396	Acute Hospitals	24,884	-	24,884
25	IJB Operational Costs	27	-	27
225,332	Cost of Services	231,097	0	231,097
(75,794)	South Ayrshire Council Funding	-	(76,585)	(76,585)
(148,570)	NHS Ayrshire & Arran Funding	-	(154,924)	(154,924)
(224,364)	Total Taxation And Non-Specific Grant Income (note 6)	-	(231,509)	(231,509)
968	(Surplus) or Deficit on Provision of Services	231,097	(231,509)	(411)

There are no statutory or presentation adjustments which affect the IJB's application of the funding received from partners. The movement in the General Fund balance is therefore solely due to the transactions shown in the Comprehensive Income and Expenditure Statement. Consequently an Expenditure and Funding Analysis is not provided in these annual financial statements.

The **Movement in Reserves Statement** shows the movement in the year on the IJB'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.

Total Reserves 2018-19	Movement in reserves	General Fund Balance 2019-20	Unusable Reserves 2019-20	Total Reserves 2019-20
968	Opening balance as at 1 April	0	0	0
(968)	Total Comprehensive Income and Expenditure	411	0	411
0	Adjustments between accounting basis and funding basis under regulations	0	0	0
(968)	Increase or (decrease) in year	411	0	411
0	Closing Balance as at 31 March	411	0	411

The **Balance Sheet** shows the value of the IJB's asset and liabilities as at the balance sheet date. The net assets of the IJB (assets less liabilities) are matched by the reserves held by the IJB.

31 March 2019 £000		Notes	31 March 2020 £000
267	Short Term Debtors	6	863
(267)	Short Term Creditors	7	(452)
0	Net Assets		411
0	Usable Reserve: General Fund	8	411
0	Total Reserves		411

The Statement of Accounts present a true and fair view of the financial position of the Integration Joint Boards as at 31 March 2020 and its income and expenditure for the year then ended.

The unaudited financial statements were authorised for issue on 1st July 2020 and the audited financial statements will be authorised for issue on 6th September 2020 .

Lisa Duncan
Chief Finance Officer

Notes to the Financial Statements

Note 1 – Significant Accounting Policies

General principles

The Financial Statements summarise the authority's transactions for the 2019–20 financial year and its position at the year-end as at 31 March 2020.

The South Ayrshire IJB 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 2019–20, supported by International Financial Reporting Standards (IFRS), unless legislation or statutory guidance requires different treatment.

The annual accounts are prepared on a going concern basis, which assumes that the IJB will continue in operational existence for the foreseeable future. Whilst the financial statements show an overall negative balance sheet position the Integration Scheme outlines the partnership arrangement between the Council and Health Board and the requirements for those organisations to underwrite the financial position of the IJB. The historical cost convention has been adopted.

Accruals of expenditure and income

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

- Expenditure is recognised when goods or services are received and their benefits are used by the IJB.
- Income is recognised when the IJB 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.

For the Integration Joint Board financial statements a debtor and/or creditor will be recorded where the partner contributions differ from the actual net expenditure in year, this allows any surplus or deficit on the provision of services to be transferred to the reserves held by the Integration Joint Board.

Funding

The IJB is primarily funded through contributions from the statutory funding partners, South Ayrshire Council and NHS Ayrshire & Arran. Expenditure is incurred as the IJB commissions specified health and social care services from the funding partners for the benefit of service recipients in South Ayrshire.

Cash and cash equivalents

The IJB does not operate a bank account or hold cash. Transactions are settled on behalf of the IJB by the funding partners. Consequently the IJB 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 IJB's Balance Sheet.

Employee benefits

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

The IJB 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 at 31 March is accrued, for example in relation to annual leave earned but not yet taken.

Reserves

The Integration Joint Board's reserves are classified as either Usable or Unusable Reserves. The IJB's only Usable Reserve is the General Fund. The balance of the General Fund as at 31 March shows the extent of resources which the IJB can use in later years to support service provision.

The IJB's only Unusable Reserve is the Employee Statutory Adjustment Account. This is required by legislation. It defers the charge to the General Fund for the Chief Officer's absence entitlement as at 31 March, for example any annual leave earned but not yet taken. The General Fund is only charged for this when the leave is taken, normally during the next financial year.

Indemnity insurance

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

Unlike NHS Ayrshire & Arran, the IJB does not have any 'shared risk' exposure from participation in CNORIS (Clinical Negligence and Other Risks Indemnity Scheme). The IJB participation in the CNORIS scheme is therefore equivalent 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 IJB'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.

VAT Status

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

NOTE 2 – Critical Judgements and Estimation Uncertainty

The critical judgements made in the Financial Statements relating to complex transactions are:

- In applying the accounting policies, the IJB has had to make a critical judgement relating to the values included for Set Aside services. The Set Aside figure included in the IJB accounts is based upon Information Services Division Scotland (ISD) 2018-19 activity data at 2017-18 prices with a 7.5% uplift applied. As such, the Set Aside sum included in the accounts will not reflect actual hospital usage in 2019-20.
- There are no material estimation uncertainties included within the Financial Statements.

NOTE 3 – Events After The Reporting Period

The audited annual financial statements will be authorised for issue by the Chief Finance Officer on 28 August 2020. Events taking place after this date are not reflected in the financial statements or notes.

Events after the Balance Sheet date are those events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the Annual Accounts are authorised for issue. Two types of events can be identified:

- Those that provide evidence of conditions that existed at the end of the reporting period the financial statements are adjusted to reflect such events
- Those that are indicative of conditions that arose after the reporting period – the financial statements are not adjusted to reflect for such events, but where a category of events would have a material impact disclosure is made in the notes of the nature of the events and their estimated financial effect.

There are no events to report after the reporting period end.

NOTE 4 – Expenditure and Income Analysis by Nature

2018–19 £000's		2019–20 £000's
96,985	Services commissioned from South Ayrshire Council	98,038
128,174	Services commissioned from NHS Ayrshire & Arran	132,880
148	Other IJB Operating Expenditure	153
25	Auditor Fee: External Audit Work	27
(224,364)	Partners Funding Contributions and Non-Specific Grant Income	(231,509)
968	(Surplus)/Deficit on the Provision of Services	(411)

NOTE 5 – Taxation and Non-Specific Grant Income

2018–19 £000's		2019–20 £000's
(75,794)	Funding Contribution from South Ayrshire Council	(76,585)
(148,570)	Funding Contribution from NHS Ayrshire & Arran	(154,924)
(224,364)	Taxation and Non-specific Grant Income	(231,509)

The funding contributions from the partners shown above include 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 funding contribution from NHS Ayrshire & Arran shown above includes £24.884m (2018–19 £24.396m) in respect of 'set aside' resources relating to acute hospital and other resources. These are provided by the NHS which retains responsibility for managing the costs of providing the services. The IJB however has responsibility for the consumption of, and level of demand placed on, these resources.

NOTE 6 – Debtors

31 March 2019 £000's		31 March 2020 £000's
0	South Ayrshire Council	169
267	NHS Ayrshire & Arran	694
267	Total Debtors	863

Amounts owed to the funding partners are stated on a net basis. Debtor and Creditor balances recognised by the funding partners but not yet settled in cash terms are offset against the funds they are holding on behalf of the Integration Joint Board.

NOTE 7 – Creditors

31 March 2019 £000's		31 March 2020 £000's
(267)	South Ayrshire Council	(452)
0	NHS Ayrshire & Arran	0
(267)	Total Creditors	(452)

NOTE 8 – Usable Reserve: General Fund

The IJB holds a balance on the General Fund which will normally comprise one of three elements:

- As a working balance to help cushion the impact of uneven cash flows.
- As a contingency to manage the impact of unexpected events or emergencies.
- As a means of building up funds, often referred to as earmarked reserve, to meet known or predicted liabilities.

The table below shows the movements on the General Fund balance, analysed between those elements earmarked for specific planned expenditure and the amount held in unallocated reserves.

Action 15 and the Primary Care Improvement Fund (PCIF) are Scottish Government allocations which require to be carried forward for use in future years.

The IJB has an overall negative reserves position with the unallocated balance representing the balance of payment due to South Ayrshire to repay the debt due for 2018-19 deficit, the movement in this balance represents the repayment made during 2019-20.

2018-19			2019-20			
Transfers Out 2018-19	Transfers In 2018-19	Balance at 31 March 2019		Transfers Out 2019-20	Transfers In 2019-20	Balance at 31 March 2020
Earmarked Funds						
(299)	0	0	Technology Enabled Care	0		0
(44)	0	0	Physiotherapy	0		0
(78)	0	0	Aids and Adaptations	0		0
(23)	0	0	Carers Act Post	0		0
(37)	0	0	MH/LD Review Posts	0		0
(69)	0	0	ADP	0	(169)	(169)
(13)	0	0	SDS Development	0		0
0	0	0	PCIF	0	(89)	(89)
0	0	0	Action 15	0	(153)	(153)
(563)	0	0	Total Earmarked	0	(411)	(411)
(405)	0	0	Unallocated General Fund	0	0	0
(968)	0	0	Total General Fund Reserves	0	(411)	(411)

NOTE 9 – Agency Income and Expenditure

On behalf of all IJBs within the NHS Ayrshire & Arran area, the IJB acts as the lead manager for Community Equipment Services, Continence Services, Family Nurse Partnership and Technology Enabled Care services. It commissions services on behalf of the other IJBs and reclaims the costs involved. The payments that are made on behalf of the other IJBs, and the consequential reimbursement, are not included in the Comprehensive Income and Expenditure Statement (CIES) since the IJB is not acting as principal in these transactions.

The amount of expenditure and income relating to the agency arrangement is shown below.

2018-19 £0		2019-20 £0
1,158	Expenditure on Agency Service	1,352
(1,158)	Reimbursement for Agency Services	(1,352)
0	Net Agency Expenditure Excluded from the CIES	0

NOTE 10 – Related Party Transactions

The IJB has related party relationships with NHS Ayrshire and Arran and South Ayrshire Council. In particular the nature of the partnership means that the IJB may influence, and be influenced by, its partners. The following transactions and balances included in the IJB's financial statements are presented to provide additional information on the relationships.

2018-19 £0	Transactions with NHS Ayrshire & Arran	2019-20 £0
(148,570)	Funding Contributions received from NHS Board	(154,924)
128,174	Expenditure on Services Provided by NHS Board	132,880
13	Auditor Fee: External Work	13
74	Key Management Personnel: Non-Voting Board Members	77
(20,310)	Net Transactions with NHS Board	(21,954)

There are key management personnel employed by NHS Ayrshire & Arran and South Ayrshire Council, these costs are included in the expenditure on services provided. The non-voting Board members employed by the Council and Health Board include the Chief Officer, Chief Finance Officer, Chief Social Work Officer, representatives of primary care, nursing and non-primary care services; and a staff representative. Details of the remuneration for some specific post-holders is provided in the Remuneration Report.

Support services were not delegated to the Integration Joint Board through the Integration Scheme and are instead provided by NHS Ayrshire & Arran and South Ayrshire Council free of charge as 'services in kind'. These include services such as financial management, human resources, legal services, committee services, ICT, payroll, internal audit and accommodation.

31-Mar-19	Balances with NHS Ayrshire & Arran	31-Mar-20
£0		£0
267	Debtor Balances: Amounts due from NHS Board	452
0	Creditor Balances: Amounts due to NHS Board	0
267	Net Balances with NHS Board	452

2018-19	Transactions with South Ayrshire Council	2019-20
£0		£0
(75,794)	Funding Contributions received from South Ayrshire Council	(76,585)
96,985	Expenditure on Services Provided by South Ayrshire Council	98,038
13	Auditor Fee: External Work	13
74	Key Management Personnel: Non-Voting Board Members	77
21,278	Net Transactions with NHS Board	21,543

31-Mar-19	Balances with South Ayrshire Council	31-Mar-20
£0		£0
0	Debtor Balances: Amounts due from South Ayrshire Council	0
(267)	Creditor Balances: Amounts due to South Ayrshire Council	(452)
(267)	Net Balances with NHS Board	(452)

NOTE 11 – VAT

VAT payable is included as an expense only to the extent that it is not recoverable from Her Majesty's Revenue and Customs. VAT receivable is excluded from income.

The VAT treatment of expenditure in the IJB's financial statements depends on which of the partner agencies is providing the service as these agencies are treated differently for VAT purposes.

Where the Council is the provider, income and expenditure excludes any amounts related to VAT, as all VAT collected is payable to H.M. Revenue and Customs and all VAT paid is recoverable from it. The Council is not entitled to fully recover VAT paid on a very limited number of items of expenditure and for these items the cost of VAT paid is included within service expenditure to the extent that it is irrecoverable from H.M. Revenue and Customs.

Where the NHS is the provider, expenditure incurred will include irrecoverable VAT as generally the NHS cannot recover VAT paid as input tax and will seek to recover its full cost as income from the Commissioning IJB.

NOTE 12 – Accounting Standards Issued Not Yet Adopted

The Code requires the disclosure of information about accounting changes that will be required by new accounting standards that has been issued but not yet adopted. The IJB considers that there are no such standards which would have an impact on the 2019-20 financial statements.

This information can be made available, on request, in braille, large print or audio formats and can be translated into a range of languages. Contact details are provided below.

درخواست کرنے پر یہ معلومات ناپینا افراد کے لئے ابھرے حروف، بڑے حروف یا آڈیو میں مہیا کی جاسکتی ہے اور اسکا مختلف زبانوں میں ترجمہ بھی کیا جاسکتا ہے۔ رابطہ کی تفصیلات نیچے فراہم کی گئی ہیں۔

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ਇਹ ਜਾਣਕਾਰੀ ਮੰਗ ਕੇ ਬੋਲ, ਵੱਡੇ ਅੱਖਰਾਂ ਅਤੇ ਸਣਨ ਵਾਲੇ ਰਪ ਵਿਚ ਵੀ ਲਈ ਜਾ ਸਕਦੀ ਹੈ, ਅਤੇ ਇਹਦਾ ਤਰਜਮਾ ਹੋਰ ਬੋਲੀਆਂ ਵਿਚ ਵੀ ਕਰਵਾਇਆ ਜਾ ਸਕਦਾ ਹੈ। ਸੰਪਰਕ ਕਰਨ ਲਈ ਜਾਣਕਾਰੀ ਹੇਠਾਂ ਦਿੱਤੀ ਗਈ ਹੈ।

Niniejsze informacje mogą zostać udostępnione na życzenie, w alfabecie Braille'a, w druku powiększonym lub w formacie audio oraz mogą zostać przetłumaczone na wiele języków obcych. Dane kontaktowe znajdują się poniżej.

Faodar am fiosrachadh seo fhaighinn, le iarrtas, ann am braille, clò mòr no clàr fuaim agus tha e comasach eadar-theangachadh gu grunn chànanan. Tha fiosrachadh gu h-ìosal mu bhith a' cur fios a-steach.

South Ayrshire Health and Social Care Partnership

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