

Agenda

West Dunbartonshire
Health & Social Care Partnership

West Dunbartonshire Health & Social Care Partnership Board Audit Committee

Date: Wednesday, 20 June 2018

Time: 14:00

Venue: Civic Space,
Council Offices, 16 Church Street, Dumbarton

Contact: Nuala Quinn-Ross, Committee Officer
Tel: 01389 737210 Email: nuala.quinn-ross@west-dunbarton.gov.uk

Dear Member

ITEMS TO FOLLOW

I refer to the agenda for the above meeting which was issued on 7 June 2018 and enclose a copy of the undernoted reports which were not available for issue at that time.

Yours faithfully

JULIE SLAVIN

Chief Financial Officer of the
Health & Social Care Partnership

Note referred to:-

5 UNAUDITED ANNUAL REPORT AND ACCOUNTS 2017/18 187 - 232

Submit report by the Chief Financial Officer providing an overview of the unaudited annual report and accounts for the HSCP Board for the period 1 April 2017 to 31 March 2018 and outlining the legislative requirements.

20 UPDATE REPORT ON INDEPENDENT SECTOR 233 - 235
SENSE

Submit report by the Interim Head of Strategy, Planning & Health Improvement providing an update on work being undertaken to support the improvement of Care Inspectorate grades at Sense Scotland Supported Living Glasgow 1 & Surrounding Area.

Distribution:-

Voting Members

Allan Macleod (Chair) Marie

McNair (Vice Chair) Denis

Agnew

John Mooney

Rona Sweeney

Audrey Thompson

Senior Management Team – Health & Social Care Partnership

Mr C. McDougall

Ms Z. Mahmood

Date of issue: 13 June 2018

WEST DUNBARTONSHIRE HEALTH & SOCIAL CARE PARTNERSHIP BOARD**AUDIT COMMITTEE: 20 JUNE 2018**

Subject: Unaudited Annual Report and Accounts 2017/18**1. Purpose**

- 1.1 To provide an overview of the unaudited annual report and accounts for the HSCP covering the period 1 April 2017 to 31 March 2018 and outline the legislative requirements and key stages.

2. Recommendations**2.1** Members are asked to:

- (a) Approve the 2017/18 unaudited annual report and accounts; subject to audit review; and
- (b) Note that the HSCP Board on 08 August 2018 will be recommended to delegate authority to the Audit Committee to formally approve the audited accounts on 26 September 2018, prior to submission to the Accounts Commission, in line with the approved Terms of Reference.

3. Background

- 3.1 The HSCP Board is required by law to produce its draft Statement of Accounts for audit by 30 June each year.
- 3.2 The Local Authority Accounts (Scotland) Regulations 2014 came into force on 10 October 2014, revoking the Local Authority Accounts (Scotland) Regulations 1985. The regulations therefore apply to the HSCP Board's 2017/18 annual accounts. An overview of the process is set out below.
- 3.3 **Financial Governance & Internal Control;** the regulations require the Annual Governance Statement to be approved by the HSCP Board or a committee of the HSCP whose remit include audit & governance. This will assess the effectiveness of the internal audit function and the internal control procedures of the HSCP Board. Under the approved Terms of Reference the Audit Committee meets this requirement.
- 3.4 **Unaudited Accounts;** the regulations state that the unaudited accounts are submitted to the External Auditor no later than 30th June immediately following the financial year to which they relate. Scottish Government guidance states that best practice would reflect that the HSCP Board or committee whose remit includes audit and governance should consider the unaudited accounts prior to submission to the external auditor.

- 3.5 Right to Inspect and Object to Accounts:** the public notice period of inspection should start no later than 1st July in the year the notice is published. This will be for a period of 3 weeks and will follow appropriate protocol for advertising and accessing the unaudited accounts.
- 3.6 Approval of Audited Accounts:** the regulations require the approval of the audited annual accounts by the HSCP Board or a committee of the HSCP whose remit include audit & governance. This will take account of any report made on the audited annual accounts by the “proper officer” i.e. Chief Financial Officer being the Section 95 Officer for the HSCP Board or by the External Auditor by the 30th September immediately following the financial year to which they relate. In addition any further report by the external auditor on the audited annual accounts should also be considered.
- 3.7** The Audit Committee will consider for approval the External Auditors report and proposed audit certificate (ISA 260 report) and the audited annual accounts at its meeting on 26 September 2018.
- 3.8 Publication of the Audited Accounts:** the regulations require that the annual accounts of the HSCP Board be available in both hard copy and on the website for at least five years, together with any further reports provided by the External Auditor that relate to the audited accounts.
- 3.9** The annual accounts of the HSCP Board must be published by 31st October and any further reports by the External Auditor by 31st December immediately following the year to which they relate.
- 3.10 Key Documents:** the regulations require a number of key documents (within the annual accounts) to be signed by the Chair of the HSCP Board, the Chief Officer and the Chief Financial Officer, namely:

Document	Signatory
Management Commentary	Chair of the HSCP Chief Officer Chief Financial Officer
Statement of Responsibilities	Chair of the HSCP Chief Financial Officer
Remuneration Report	Chair of the HSCP Chief Officer
Annual Governance Statement	Chair of the HSCP Chief Officer
Balance Sheet	Chief Financial Officer

- 3.11** In addition to the above, with regard to the approved Terms of Reference of the HSCP Board, the Chair and Vice Chair of the HSCP Board are due to rotate in the period between approval of the unaudited and audited

annual report and accounts. This will be reflected in the audited accounts passed to external audit.

4. Main Issues

- 4.1** The draft accounts have now been prepared and passed to the HSCP Board's external auditor, Audit Scotland to commence their audit process.
- 4.2** The draft accounts reflect the financial position reported to the HSCP Board throughout 2017/18, which were expenditure levels for both Health & Social Care exceeded income received.
- 4.3** The HSCP Board on 2 May 2018 noted the Financial Performance Report to Period 11 (28 February 2018) which detailed both the current revenue position of £0.922m (-0.70%) overspent and also the projected position to the 31 March 2018 of £1.283m (-0.86%) overspent. This figure was reflective of planned additions to reserves, also detailed within the May report.
- 4.4** The table below details the final year end position for 2017/18 which is only marginally changed from the May report i.e. £1.231m (-0.82%) overspent. A detailed breakdown is provided in Appendix 1.

2017/18 FINAL YEAR OUTTURN SUMMARY						2nd MAY 2018 HSCP BOARD	
	Annual Budget	YTD Budget	YTD Actuals	Variance	Variance	Full Year Variance	Variance
	£000's	£000's	£000's	£000's	%	£000's	%
Health Care	94,174	94,174	94,353	(179)	-0.19%	(180)	-0.19%
Social Care	86,625	86,625	88,043	(1,418)	-1.64%	(1,346)	-1.55%
Expenditure	180,799	180,799	182,396	(1,597)	-0.88%	(1,526)	-0.84%
Health Care	(5,420)	(5,420)	(5,420)	0	0.00%	0	0.00%
Social Care	(26,077)	(26,077)	(26,443)	366	-1.40%	243	-0.93%
Income	(31,497)	(31,497)	(31,862)	366	-1.16%	243	-0.77%
Health Care	88,754	88,754	88,933	(179)	-0.20%	(180)	-0.20%
Social Care	60,548	60,548	61,600	(1,052)	-1.74%	(1,103)	-1.82%
Net Expenditure	149,302	149,302	150,533	(1,231)	-0.82%	(1,283)	-0.86%

- 4.5** The main reasons for the small improvement of £0.052m (£1.283m less £1.231m) are additional income from a house sale, relating to residential care homes and in children services income from a staff secondment and a share of parenting grant income from WDC's Education service.

- 4.6** The draft accounts under “Analysis of the Financial Statements and Financial Performance of the HSCP Board” (page 9) provides details of the key messages which are reflective of the significant variances and pressures reported in the May report. These include overspends within Social Care for Children and Family and Older People Services, reflective of our demographic and social needs. For Health Care the main pressure came from the difficulty realising savings approved in 2016/17, but delayed to 2017/18 around the redesign of some services.
- 4.7** The HSCP Board had previously agreed that any overspend would be covered by general reserves brought forward from 2016/17. However this was on the assumption (as recommended by the Chief Financial Officer at the May HSCP Board meeting) that there would be some replenishment of the general reserves figure from the identified underspend of £0.975m from 2017/18 Social Care Fund resources received from the Scottish Government to support the cost of the Scottish Living Wage and service redesign.
- 4.8** The draft accounts (page 34) detail both the opening reserves balance, transfers in and out and the final balance for both general (unearmarked) and earmarked reserves. An extract is provided below:

Balance as at 31 March 2017 £000	West Dunbartonshire Council Earmarked Reserve	Transfers Out 2017/18 £000	Transfers In 2017/18 £000	Balance as at 31 March 2018 £000
(3,488)	Total Earmarked Reserves	1,165	(2,114)	(4,437)
(2,080)	Total Unearmarked Reserves	1,100	(725)	(1,705)
(5,568)	Total General Fund Reserves	2,095	(2,151)	(6,142)
	Overall Movement Reserves			(574)

- 4.9** Overall the level of unearmarked reserve has reduced by £0.375m to £1.705m, which is less than the 2% (£2.5m) target recommended by the HSCP Board’s Reserve Policy. However given the level of financial challenge in 2017/18, especially in relation to the increase in children & young people community placements, this level will provide an element of protection against any further unplanned expenditure or smoothing out any delays in delivering the approved savings options for 2018/19.
- 4.10** The level of earmarked reserve has increased by £0.949m to £4.437m, with the most significant contributions arising from the specific grant funded projects including the MSK Ortho Project (in partnership with Acute), Primary Care Transformation Fund and Social Care Fund for the extension of the Scottish Living Wage to all sleepovers by the end of 2018.
- 4.11** In conclusion the preparation of the annual report and accounts for the HSCP Board will meet all legislative requirements. There has been no material

movement to the projected outturn last reported to the HSCP Board and there are no significant governance issues identified within the Governance Statement.

- 4.12** The Chief Financial Officer would like to extend thanks to colleagues across the HSCP, in particular the finance team; and partner organisations acknowledging the detailed work required in the year end closure process.

5. People Implications

- 5.1** There are no people implications.

6. Financial Implications

- 6.1** There are no financial implications other than those detailed in the report.

7. Professional Implications

- 7.1** None

8. Locality Implications

- 8.1** None

9. Risk Analysis

- 9.1** No risk analysis was required.

10. Impact Assessments

- 10.1** None

11. Consultation

- 11.1** This report was prepared in conjunction with NHSGGC and WDC colleagues.

12. Strategic Assessment

- 12.1** Proper budgetary control and sound financial practice are cornerstones of good governance and support the Partnership Board and officers to pursue the strategic priorities of the Strategic Plan.

The report is in relation to a statutory function and is for approving.

- 12.2** This report links to the strategic financial governance arrangements of both parent organisations.

Julie Slavin – Chief Financial Officer

Date: 12 June 2018

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Appendices: Appendix 1: 2017/18 Year End Detail
Appendix 2: Draft Unaudited Annual Accounts 2017/18

Background Papers: 2 May 2018 HSCP Board: 2017/18 Financial Performance
Report
Audit Committee Terms of Reference

Wards Affected: None

West Dunbartonshire Health & Social Care Partnership				Appendix 1
Financial Year 2017/18 period 12 covering 1 April to 31 March 2018				
	Annual Budget £000's	Year to date Budget £000's	Actual £000's	Variance £000's
Health Care Expenditure				
Planning & Health Improvements	911	911	910	0
Children Services - community	2,536	2,536	2,672	(136)
Children Services - specialist	1,596	1,596	1,670	(74)
Adult Community Services	9,786	9,786	10,035	(249)
Community Learning Disabilities	547	547	543	4
Addictions	1,850	1,850	1,844	6
Men Health - Adult Inpatient	0	0	0	(0)
Mental Health - Adult Community	4,383	4,383	4,104	279
Mental Health - Elderly Inpatients	3,126	3,126	3,403	(277)
Family Health Services (FHS)	24,952	24,952	24,952	0
GP Prescribing	19,887	19,887	19,887	(0)
Other Services	2,546	2,546	2,418	128
Resource Transfer	14,978	14,978	14,978	(0)
Hosted Services	7,078	7,078	6,938	140
Expenditure	94,174	94,174	94,353	(179)
Income	(5,420)	(5,420)	(5,420)	0
Net Expenditure	88,754	88,754	88,933	(179)
	Annual Budget £000's	Year to date Budget £000's	YTD Budget £000's	Variance £000's
Social Care Expenditure				
Strategy Planning and Health Improvement	1,040	1,040	943	97
Residential Accommodation for Young People	3,474	3,474	3,744	(270)
Children's Community Placements	3,472	3,472	4,255	(784)
Children's Residential Schools	827	827	1,564	(736)
Childcare Operations	3,928	3,928	4,020	(92)
Other Services - Young People	3,960	3,960	3,956	5
Residential Accommodation for Older People	7,546	7,546	8,083	(537)
External Residential Accommodation for Elderly	12,579	12,579	12,685	(106)
Homecare	13,940	13,940	14,219	(279)
Sheltered Housing	1,954	1,954	1,856	97
Day Centres Older People	1,216	1,216	1,242	(25)
Meals on Wheels	75	75	69	7
Community Alarms	348	348	415	(68)
Community Health Operations	2,652	2,652	2,672	(20)
Residential - Learning Disability	14,249	14,249	13,750	499
Day Centres - Learning Disability	1,955	1,955	1,945	10
Physical Disability	3,007	3,007	2,972	35
Addictions Services	1,825	1,825	1,777	49
Mental Health	3,897	3,897	3,667	230
Criminal Justice	1,979	1,979	1,962	17
HSCP - Corporate	2,703	2,703	2,248	454
Expenditure	86,625	86,625	88,043	(1,418)
Income	(26,077)	(26,077)	(26,443)	366
Net Expenditure	60,548	60,548	61,600	(1,052)
	Annual Budget £000's	Year to date Budget £000's	Actual £000's	Variance £000's
Consolidated Expenditure				
Older People Residential, Health and Community Care	36,155	36,155	37,057	(902)
Homecare	13,940	13,940	14,219	(279)
Physical Disability	3,007	3,007	2,972	35
Children's Residential Care and Community Services (incl specialist)	19,792	19,792	21,879	(2,087)
Strategy Planning and Health Improvement	1,951	1,951	1,853	98
Mental Health Services - Adult & Elderly				
Community and Inpatients	11,406	11,406	11,174	232
Addictions	3,675	3,675	3,621	55
Learning Disabilities - Residential and Community Services	16,751	16,751	16,237	513
Family Health Services (FHS)	24,952	24,952	24,952	0
GP Prescribing	19,887	19,887	19,887	(0)
Hosted Services	7,078	7,078	6,938	140
Criminal Justice	1,979	1,979	1,962	17
Resource Transfer	14,978	14,978	14,978	(0)
HSCP Corporate and Other Services	5,249	5,249	4,666	583
Gross Expenditure	180,799	180,799	182,396	(1,597)
Income	(31,497)	(31,497)	(31,862)	366
Total Net Expenditure	149,302	149,302	150,533	(1,231)

West Dunbartonshire
Health & Social Care Partnership

West Dunbartonshire Integration Joint Board

Commonly known as

West Dunbartonshire
Health and Social Care Partnership

Annual Accounts 2017/18

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CONTENTS

Management Commentary	1
Statement of Responsibilities	15
Remuneration Report	17
Annual Governance Statement	20
Comprehensive Income and Expenditure Statement	27
Movement in Reserves Statement	28
Balance Sheet	28
Notes to the Financial Statements	29
1. Significant Accounting Policies	29
2. Prior Year Re-Statement - Hosted Services	31
3. Accounting Standards Issues Not Yet Effective	31
4. Critical Judgements and Estimation Uncertainty	31
5. Events After the Reporting Period	32
6. Expenditure and Income Analysis by Nature	32
7. Taxation and Non-Specific Grant Income	33
8. Debtors	33
9. Creditors	33
10. Usable Reserve: General Fund	34
11. Related Party Transactions	35
12. External Audit Costs	35
Independent Auditor's Report	36
Appendix 1: List of Website Links	37

MANAGEMENT COMMENTARY

INTRODUCTION

This publication contains the financial statements for the West Dunbartonshire Integration Joint Board (IJB), hereafter known as the Health and Social Care Partnership Board (HSCP Board) for the year ended 31 March 2018.

The Management Commentary provides an overview of the key messages in relation to the HSCP Board's financial planning and performance for the 2017/18 financial year and how this has supported the delivery of its strategic priorities as laid out in its Strategic Plan 2016-2019. The Commentary also outlines the future challenges and risks which influence the financial plans of the HSCP Board as they deliver high quality health and social care services to the people of West Dunbartonshire.

The attached annual accounts have been prepared in accordance with current regulations and guidance.

The West Dunbartonshire Health and Social Care Partnership Board

The Public Bodies (Joint Working) Act (Scotland) 2014 sets out the arrangements for the integration of health and social care across the country. The West Dunbartonshire IJB, commonly known as the HSCP Board was established as a "body corporate" by Scottish Ministers' Parliamentary Order on 1 July 2015.

The HSCP Board's Integration Scheme details the body corporate arrangement by which NHS Greater Glasgow and Clyde Health Board (NHSGGC) and West Dunbartonshire Council (WDC) agreed to formally delegate all community health and social care services provided to children, adults and older people, criminal justice social work services and some housing functions. The full scheme can be viewed [here](#) (see Appendix 1, 1.)

The West Dunbartonshire Health and Social Care Partnership Board's:

- Mission is to improve the health and wellbeing of West Dunbartonshire residents.
- Purpose is to plan for, and ensure the delivery of high quality health and social care services to and with the communities of West Dunbartonshire.
- Core values are protection; improvement; efficiency; transparency; fairness; collaboration; respect; and compassion.

The HSCP Board is responsible for the strategic planning, commissioning, service delivery and performance for those integrated services delegated to it (except for NHS acute hospital services, which are managed directly by the Health Board). Staff who work within the management of the HSCP continue to be employed by either NHSGGC or WDC, retaining their respective terms and conditions.

The purpose of the HSCP Board is to improve the wellbeing of people who use health and social care services, particularly those whose needs are complex and involve support from health and social care at the same time.

The HSCP Board's Strategy, Business Model and Performance

In various reports and studies from the 2011 Christie Commission to the Accounts Commission, the key message is that public bodies need to think differently about what they deliver, be efficient and integrate service provision through service redesign and re-shaping the workforce to deliver better outcomes for the population they serve. The creation of IJBs is the model expected to deliver this for health and social care services.

The Joint Bodies Act places a duty on IJBs to create a "strategic plan" for the integrated functions and budgets that it controls. At its August 2016 meeting, the WD HSCP Board approved its second Strategic Plan, covering the three year period 2016 – 2019 (the maximum duration allowed by the legislation). This high-level strategic plan sets out the HSCP Board's commissioning priorities for that medium term period, with a clear commitment to the delivery of effective clinical and care governance and Best Value. A review of the current plan is being undertaken to produce a new plan for 2019 - 2022.

The HSCP Board's Strategic Plan 2016–2019 can be viewed [here](#) (see Appendix 1, 2.)

The key themes running through the Plan are:

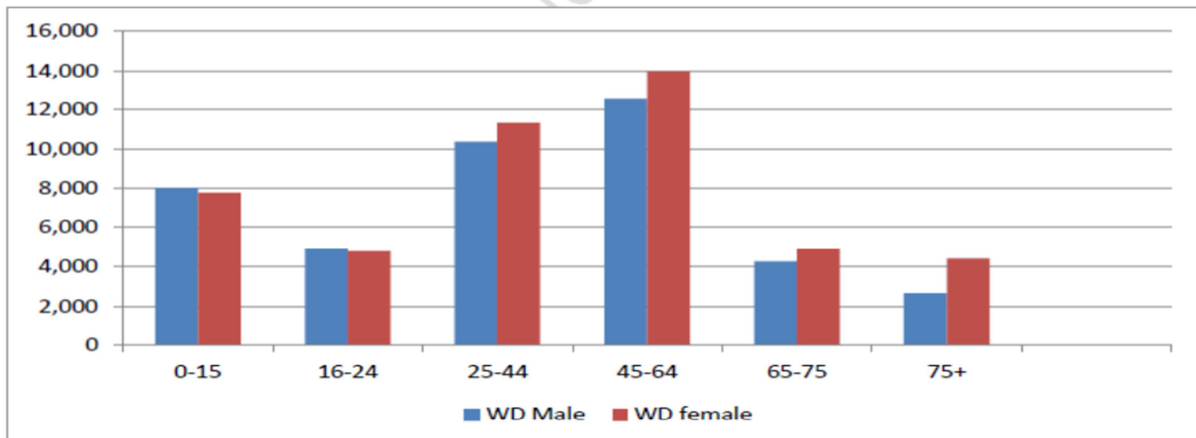
- Transformational Change in practice;
- Sustaining existing good quality services, but reshape where improvements to service delivery can be demonstrated e.g. use of technology enabled care;
- Continuing to integrate teams from health and social care to remove barriers, reduce waste and duplication and deliver better outcomes for service users; and
- Be forward thinking by planning for our population needs for future years through our strategic commissioning framework.

A full profile of West Dunbartonshire is set out in the Strategic Plan. Some of the key characteristics include the following:

- West Dunbartonshire lies north of the River Clyde encompassing urban and rural communities. According to the National Records for Scotland, the 2016 mid-year population for West Dunbartonshire is 89,690; a small increase of 0.1% from 89,590 in 2015. The population of West Dunbartonshire accounts for 1.7% of the total population of Scotland but is expected to reduce to 1.46% by 2039;
- Service delivery should reflect local population needs. In West Dunbartonshire there are two locality areas: Clydebank; and Dumbarton and Alexandria;
- Based on the 2016 mid-year estimates, 18% of the population are under the age of 16 (17% for Scotland), with 64% of the population working age (65% for Scotland) and persons aged 65 and over making up the 18% of West Dunbartonshire's population (18% for Scotland);
- In the next 20 years the population under the age of 65 is estimated to decrease by 19.4% and the population of 65+ to increase by 46.4%; and
- The SIMD 2016 data shows that 40% of West Dunbartonshire's 121 data zones are in the most deprived 20% of all data zones in Scotland. West Dunbartonshire is one of five local authorities with the largest proportion of data zones in the 20% most deprived category.

The deprivation profile will have major implications for services as research indicates that those vulnerable to poverty are more likely to require greater social intervention and a targeted focus to move out of poverty. Also a decline in younger economically active people with significant growth in the older, more vulnerable age group will result in a higher dependency on both social care and health services.

West Dunbartonshire Population by age and gender:



Source: [National Records for Scotland \(2017\) Population mid 2016 Estimates](#)

The substance of the new Strategic Plan will be shaped by the contents and response to the HSCP Board's well-received Annual Performance Reports for 2015 to 2017.

The Strategic Plan reflects the HSCP Board's commitment to integration being community planning in practice, with its strategic commissioning outcomes articulated with respect to, the five priorities laid out in the Local Outcome Improvement Plan (LOIP):

- Independent
- Empowered
- Nurtured
- Safe
- Flourishing

The delivery of these priorities aim to enhance the life experience of all residents within West Dunbartonshire, but for the HSCP Board this is targeted at those needing additional support including our older people, children and those with a disability requiring support.

This aligns to the overall population projections which indicate changes to the three key life stages of children, adults and older people.

The new Strategic Plan development is underway for 2019 – 2022 by the newly formed Strategic Planning Group and is being informed by the recently developed Strategic Needs Assessment (SNA) and the current and future availability of financial and workforce resources.

Another key feature of the HSCP Board's Business Model is its commitment to local engagement and feedback. A local Participation and Engagement Strategy was developed and approved in May 2016, which sets out the key principles and high level ways of working that the HSCP will apply in its relationships with stakeholders as an integral element of its mainstream strategy and business model. The Participation and Engagement Strategy can be viewed [here](#) (see Appendix 1, 3.)

The Cabinet Secretary for Health's November 2017 response to the Health and Sport Committee's September 2017 Report "Are they Involving Us" highlighted WD HSCP Board as a good example of how local engagement with our 3rd Sector partners should operate.

West Dunbartonshire Health & Social Care Partnership

West Dunbartonshire Integration Joint Board – Annual Accounts for the Year Ended 31st March 2018

In addition to the requirements set out within the Public Bodies (Joint Working) Act 2014, the Strategic Plan and Engagement Strategy takes due cognisance of other pertinent legislation and standards, including:

- The Carer's (Scotland) Act 2016 which aims to ensure better and more consistent support for both adult and young carers so that they can continue to care in better health and to have a life alongside of caring;
- The Community Empowerment (Scotland) Act 2015 provides a legal framework that promotes and encourages community empowerment and participation; and outlines how public bodies will work together with the local community to plan for, resource and provide services which improve local outcomes in the local authority area;
- The Children and Young People's (Scotland) Act 2014 which reinforces the United Nations Convention on the Rights of the Child; and the principles of Getting It Right for Every Child;
- The Community Justice (Scotland) Act 2016 which identifies Community Planning Partnerships as being the vehicle to bring partner organisations together to plan and deliver community justice outcomes;
- The Equality Act 2010, with its general duties to eliminate discrimination, harassment and victimisation; advance equality of opportunity between people who share a protected characteristic and those who do not; and foster good relations between people who share a protected characteristic and those who do not;
- National Health and Social Care Standards; and
- Realising Realistic Medicine.

All of the above reinforce the stated core values of the HSCP Board ie protection; improvement; efficiency; transparency; fairness; collaboration; respect; and compassion. As expressed in this Strategy, these then underpin how the HSCP develops and delivers the local Strategic Plan and local services; and informs relationships with stakeholders, including service users, carers and communities; staff, and Trade Unions; GPs, other NHS external contractors and acute clinicians; the 3rd and Independent Sector; and Community Planning Partners. The HSCP has worked with stakeholders to create a tapestry of flexible opportunities to support pragmatic participation and engagement – and with the understanding that they are not set in stone but rather are dynamic processes that should and will evolve based on feedback, learning and changing circumstances.

This reflects the challenges presented by a combination of continuing shifts in patterns of disease to long term conditions; growing numbers of older people with multiple conditions and complex needs; and a pressurised financial environment.

The HSCP has been working with the Scottish Burden of Disease team which is a collaboration between NHS Health Scotland and ISD Scotland to create a robust and comprehensive SNA which reflects the nature and impact of the burden of disease for West Dunbartonshire. This will form the basis of the development of the new Strategic Plan and subsequent financial framework for future spends going forward.

The HSCP is in the process of developing, in partnership with GPs and wider community, a new primary care improvement plan which will describe the priority spend across West Dunbartonshire to further develop community multi-disciplinary services.

West Dunbartonshire Health & Social Care Partnership

West Dunbartonshire Integration Joint Board – Annual Accounts for the Year Ended 31st March 2018

The HSCP Board is also responsible for strategic planning for unscheduled care with respect to the population of West Dunbartonshire, in partnership with NHSGGC and other IJBs within the Greater Glasgow & Clyde area. The HSCP has created opportunities to work with neighbouring Partnerships to assess the impact of a range of planned activities and interventions to demonstrate impact of beds days lost. These activities align to the delivery of the National Health and Care Outcomes as well as to priorities of the Strategic Plan objectives and NHSGGC's Acute Strategy.

Critical to this is the on-going work and developments to shifting the balance of where care and support is delivered from hospital to community care settings, and to individual homes when that is the best thing to do. Good quality community care should mean less unscheduled care in hospitals, and people staying in hospitals only for as long as they need specific treatment. At the same time, waste and variation in clinical practice needs to be addressed, alongside promoting the reliable implementation of effective interventions.

The HSCP Board has been working to a set of comprehensive commissioning intentions for unscheduled care, reflecting a commitment to invest, redesign and deliver an effective infrastructure of community services. A key element to this will be the agreement with NHSGGC and our neighbouring partnerships on the value attached to the current activity around unscheduled care ie Set Aside Budget. As the HSCP Board demonstrates its success in reducing unscheduled care, bed days lost and A&E attendances, the financial resource attached to this must be transferred to the partnership to provide longer term sustainability in shifting the balance of care and supporting our ageing population in the community in the years to come.

Performance Highlights 2017/18

The HSCP Board receives a Public Performance Report at each meeting, which provides an update on progress in respect of key performance indicators and commitments. These can be viewed [here](#) (see Appendix 1, 4.):

The Joint Bodies Act also requires all IJBs to produce an Annual Performance Report covering the reporting year, no later than four months after the end of that year. The HSCP Board's third Annual Performance Report 2017/18 (i.e. for the same period as these annual accounts) was published in draft by 31 July 2018 (to comply with legislative requirements) and presented to its August 2018 meeting for scrutiny. The report can be viewed [here](#) – link not available for Draft – to be added to final Accounts (see Appendix 1, 5.)

The Annual Performance Report reviews our performance against local and national performance indicators and against the commitments within our Strategic Plan. Some key areas of performance over the past year are:

West Dunbartonshire Health & Social Care Partnership

West Dunbartonshire Integration Joint Board – Annual Accounts for the Year Ended 31st March 2018

Indicator	2017/18 Value	2017/18 Target	2017/18 Status
National Health & Wellbeing Outcomes for Adults			
Number of acute bed days lost to delayed discharges (including AWI)	2,291	N/A	756 less than 2016/17
Number of acute bed days lost to delayed discharges for Adults with Incapacity	461	N/A	388 less than 2016/17
Number of patients in anticipatory care programmes	1,921	1,400	✔
Percentage of carers who feel supported to continue in their caring role	97.4%	90%	✔
Prescribing cost per weighted patient (£Annualised)	£173.07	GGC Average	£8.03 less than 2016/17
Percentage of people aged 65 years and over assessed with complex needs living at home or in a homely setting	98%	98%	✔
Percentage of identified patients dying in hospital for cancer deaths (Palliative Care Register)	25.1%	30%	✔
Percentage of Adult Support and Protection clients who have current risk assessments and care plan	100%	100%	✔
National Health & Wellbeing Outcomes for Children			
Percentage of 16 or 17 year olds in positive destinations (further/higher education, training, employment) at point of leaving care	78%	75%	✔
Percentage of children on the Child Protection Register who have a completed and current risk assessment	100%	100%	✔
Balance of Care for looked after children: % of children being looked after in the Community	90.2%	89%	✔

The Annual Performance Report also details case studies and individual client feedback on the impact health and social care services and staff have made on their daily lives. Some of the key operational highlights for 2017/18 include:

- Creation of a Champions Board for West Dunbartonshire; including the employment of care experienced young people to support the Board;
- Burnside Children’s House has, for the second year in a row, been awarded Residential Team of the Year by the Scottish Institute of Residential Child Care;
- Improved practice and a multi-agency approach to early, positive intervention with families in order to protect children and support them in the community through kinship care, fostering or residential placements;
- Development and delivery of the Toe-to-Toe Footcare partnership between West Dunbartonshire Community & Volunteering Services (WDCVS), WDHSCP and the Podiatry Team was celebrated at the Age Scotland Awards for its impact on vulnerable people in the community;

West Dunbartonshire Health & Social Care Partnership

West Dunbartonshire Integration Joint Board – Annual Accounts for the Year Ended 31st March 2018

- The opening of Crosslet House as a new Residential Care and Day Services for Older People, which also won the Award for 'Delivering a new model of Residential Services for Older People' at this year's NHS GG&C Celebrating Success Awards;
- West Dunbartonshire HSCP is combining the use of telehealth with telecare (community alarm) for patients with COPD who have difficulty attending the surgery but are still able to report their results to nursing staff;
- West Dunbartonshire "Snow angels" operated above and beyond the call of duty during the Beast from the East; with staff from care at home, to finance and mental health consultants to social workers making their way to the most vulnerable in our communities;
- Our Blood Borne Virus (BBV) Team were awarded the NHSGGC Chairman's Award for Clinical Excellence and their work was recognised at the International Liver Congress in Amsterdam;
- The Future of Addiction Services Team (FAST) opened a Recovery Café in Dalmuir Park, allowing local people to access Recovery Orientated Systems of Care to support them with substance misuse issues and make positive lifestyle changes;
- The development of Digital Passports for people with a learning disability was recognised as a finalist in the Facing the Future Together Awards 2017 and
- Successful joint bid to the National Heritage Lottery Fund for £2.8m by Work Connect and Greenspace to redevelop Levensgrove Park. This new development will better support children, young people and adults with significant physical, sensory and learning disability needs enjoy the full range of facilities that the park now offers.

Many of these operation highlights and new service delivery models not only enhance the service experience of the service user but will also prevent further demand for additional health and social care services for the future. However there can be a cost to positive performance in the short term, which can impact on the in-year financial performance e.g. supporting children within community placements, placed significant pressure on the 2017/18 budget resource. This and other key areas are discussed below.

Analysis of the Financial Statements and Financial Performance of the HSCP Board

The Statement of Accounts contains the financial statements of the HSCP Board for the year ended 31 March 2018, which holds all of the expenditure and income associated with the operational delivery of delegated health and care services to the population of West Dunbartonshire. The requirements governing the format and content of local authorities' annual accounts are contained in The Code of Practice on Local Authority Accounting in the United Kingdom (the Code). The 2017/18 Accounts have been prepared in accordance with this Code.

The financial reporting responsibilities of the HSCP Board Chief Financial Officer include preparing financial statements which should reflect a "true and fair view" of the partnership's financial performance and financial position.

External auditors have a responsibility to provide an opinion on the financial statements, which will involve challenging and testing the unaudited accounts. The external audit findings and opinions may require some changes and adjustments being made before the accounts are approved by the HSCP Board on 26 September 2018.

Financial performance is an integral element of the HSCP Board's overall performance management framework, with regular reporting and scrutiny of financial performance at meetings of both the HSCP Board and its Audit Committee.

West Dunbartonshire Health & Social Care Partnership

West Dunbartonshire Integration Joint Board – Annual Accounts for the Year Ended 31st March 2018

The HSCP Board, like most public sector organisations has found the current financial climate of public sector austerity challenging. In 2017/18 the funding allocations made to the HSCP Board by NHSGGC and WDC reflected the funding directions laid down by the Scottish Government, the key messages from the financial settlement offers were:

- NHS contributions to Integration Authorities (IAs) for delegated health functions will be maintained at least at 2016/17 cash levels;
- Local authorities will be able to adjust their allocations to IAs by up to their share of £80 million below the level of budget agreed in 2016/17; and
- An additional £107m of Social Care funding, routed through Health Boards, in addition to the £250m received in 2016/17.

For the HSCP Board this required the voting members to approve a 2017/18 annual revenue budget settlement which included savings targets of £2 million in social care services (fully delivered by the utilisation of unapplied 2016/17 Social Care funding) and £0.834m in health care services (managed through natural turnover and application of earmarked reserves). There was also the further pressure of health care savings approved late in 2016/17 of £0.955m, carried forward to 2017/18.

The investment from the 2017/18 Social Care funding equated to £2.087m for the HSCP Board directed towards the payment of the Scottish Living Wage to all adult social care workers and investment in community based services.

The full year financial position for the HSCP Board can be summarised as follows:

1 April 2017 to 31 March 2018	West Dunbartonshire Council £000	Greater Glasgow & Clyde Health Board £000	Total £000
Funds Received from Partners	(61,474)	(105,821)	(167,295)
Funds Spent with Partners	61,284	105,437	166,721
Surplus in Year 2017/18	(190)	(384)	(574)

The Comprehensive Income and Expenditure Statement (CIES) on page 28 details the cost of providing services for the year to 31 March 2018 for all health and care services delegated or hosted by the HSCP Board.

The total cost of delivering services amounted to £166.721m against funding contributions £167.295m, both amounts including notional spend and funding received for Set Aside of £17.066m, (further explained under Note 4 "Critical Judgements and Estimations" page 32). This therefore leaves the HSCP Board with an overall surplus on the provision of services of £0.574m which is transferred to Reserves, the composition of which is detailed within Note 10 "Usable Reserve: General Fund" page 35.

The HSCP Board receives a comprehensive financial performance report at every meeting, which details any budget movements, which impact on the directions back to WDC and NHSGGC in the commissioning of services, an explanation of all current variances, any mitigating action being taken to bring budgets back into balance and a full year projection.

The [Financial Performance Report](#) (see Appendix 1, 6.) (presented to the HSCP Board on 2 May 2017), projected an overall overspend of £1.283m (-0.86%) for the financial year 2017/18. This figure excluded planned additions to reserves both for earmarked projects including transformational change and unearmarked, general reserves arising

West Dunbartonshire Health & Social Care Partnership

West Dunbartonshire Integration Joint Board – Annual Accounts for the Year Ended 31st March 2018

from unspent Social Care Fund resources to be invested in living wage and shifting the balance of care. The overspends in both health care and social care services were £0.180m and £1.103m respectively, after securing available efficiencies. The HSCP Board approved the recommendation that the application of general reserves was required to bring the 2017/18 financial year back into balance.

The final outturn position as detailed in these accounts reflects this overall projection with some negligible differences. The Comprehensive Income and Expenditure Statement (page 28) doesn't detail budget levels, but it does compare 2016/17 expenditure/income to 2017/18 and can help highlight the service areas with significant variations in spend or income levels.

Whilst the final overspend position is in excess to the available budget, it must be acknowledged that a significant element relates to the particular demographic and deprivation pressures within West Dunbartonshire, especially around children and young people and the commitment of staff in prioritising early identification of child protection issues and putting in place appropriate community support around those at risk to support positive outcomes. This is reflected in the key performance indicators performing above the target levels.

It should be noted that 2017/18 was the last year of the GP prescribing risk-sharing arrangement for the IJBs within the NHSGGC area. The final outturn position for West Dunbartonshire GP Prescribing was £0.795m, of which approximately 80% can be attributed to short supply and off-patent costs. However, this overspend does not feature in the total reported overspend as it is covered by NHSGGC.

The key messages for the financial year 2017/18 are:

- On a total budget allocation of £167.295m for our funding partners WDC and NHSGGC, we have ended the year with a surplus of £0.574m after taking account of planned additions to reserves;
- The movements in earmarked reserves is an overall increase of £0.949m, mainly due to Scottish Government Primary Care Funding, including GP Premises and MSK Ortho Project, bringing the closing balance to £4.437m;
- The movement in unearmarked, general reserves is an overall decrease of £0.375m, mainly due to the application of reserves to offset the excess of cost of services over the budget allocation in 2017/18. However there was a significant addition of £0.725m from unallocated Social Care Fund which was to fund the new Frailty Project, delayed until 2018/19;
- The outturn position, before the application of general (unearmarked) reserves was and overspend of £1.231m (-0.85%), funded by general reserves of £1.052m and £0.179m to cover the overspends within social care and health care services respectively;
- Within social care the cost of:
 - Community and residential placements for children and young people exceeded the budget by £1.80m. Of this total the cost of kinship and fostering placements accounts for £0.709m, due to an unprecedented increase in numbers. The number of kinship placements increased by 43 and the number of fostering placements 17. Due to difficulties across Scotland in attracting foster carers to sign with local authorities the majority of these new places had to be arranged with external fostering agencies at a higher cost.
 - Children placed within residential schools due to emotional, behavioural or physical disabilities exceeded the budget by £0.736m. This is an extremely volatile budget and secure placements can cost in excess of £0.200m per child.

West Dunbartonshire Health & Social Care Partnership

West Dunbartonshire Integration Joint Board – Annual Accounts for the Year Ended 31st March 2018

- Childcare managers review these packages on a weekly basis for alternative, appropriate community based support;
- Older people supported through care at home services or in residential or nursing care exceeded the budget by £0.430m and £0.626m respectively and can be attributed to demographic demand and continued improved performance on anticipatory care planning and reduction to bed days lost through delayed discharge;
 - All other adult services including learning and physical disability and mental health and addiction services collectively underspent by £0.943m, due to many factors including a reduction in a small number of high tariff, complex mental health and learning disability clients in receipt of high cost packages and the cost of rolling out the living wage being less than anticipated as it does not require to be applied to the cost of sleepovers until the end of 2018;
 - Within health care while there has been reported pressure in a high cost specialist nursing package and aids and equipment, this has mainly been covered by the use of discretionary, non-recurring funding across all services. The main reason for the overspend has been the difficulty in implementing approved savings programmes within school nursing and mental health. This was visible in monitoring reports through the financial year.

Hosted Services

The content of the financial statements has changed in 2017/18 on the treatment (presentation) of costs of Hosted Services. The full cost of the services which are hosted by the HSCP Board ie MSK Physiotherapy Services and Retinal Screening are no longer adjusted within the CIES and Notes to the Accounts to reflect the cost related to the activity of other IJBs' in the Greater Glasgow and Clyde Area. Similarly the cost of services accessed by West Dunbartonshire residents, but hosted by another IJB is also excluded. To allow for a meaningful comparison to the previous financial year the 2016/17 the figures have been restated to reflect this (further explained under Note 4 "Critical Judgements and Estimations" page 32).

While the accounting treatment may have changed, the tables below provide details of the impact of hosted services within the Greater Glasgow and Clyde area.

Based on activity, the table below, details the consumption cost of the services managed by WD HSCP Board to the other five IJBs' in the GGC area.

2016/17 £000 Net Expenditure of Other IJB Activity	Host Integrated Joint Board	Service Description	2017/18 £000 Net Expenditure of Other IJB Activity
5,486	West Dunbartonshire	MSK Physiotherapy	5,507
681	West Dunbartonshire	Retinal Screening	731
96	West Dunbartonshire	Old Age Psychiatry	99
6,263		Cost to GGC IJBs for Services Hosted by WD HSCP	6,337

West Dunbartonshire Health & Social Care Partnership

West Dunbartonshire Integration Joint Board – Annual Accounts for the Year Ended 31st March 2018

Similarly, other IJBs' within the GGC area act as the lead manager (or host) for a number of delegated services on behalf of the WD HSCP Board. The table below details those services and the cost of providing them to residents of West Dunbartonshire, based on activity levels, referrals and bed days occupied.

2016/17 £000 Net Expenditure by WD HSCP	Host Integrated Joint Board	Service Description	2017/18 £000 Net Expenditure by WD HSCP
657	East Dunbartonshire	Oral Health	641
587	East Renfrewshire	Learning Disability	381
311	Glasgow	Continence	282
646	Glasgow	Sexual Health	585
660	Glasgow	Mental Health Central Services	668
962	Glasgow	Mental Health Specialist Services	996
1,096	Glasgow	Addictions – Alcohol and Drugs	1,085
756	Glasgow	Prison Healthcare	792
177	Glasgow	Health Care in Police Custody	184
3,393	Glasgow	General Psychiatry	3,589
1,672	Glasgow	Old Age Psychiatry	2,010
485	Renfrewshire	Podiatry	495
373	Renfrewshire	Primary Care Support	289
11,775		Cost to WD HSCP for Services Hosted by Other GGC IJBs	11,997

Key Risks, Uncertainties and Financial Outlook

The HSCP Board Financial Regulations reflect the recommendations of the national Integrated Resources Advisory Group which confirms the responsibility of the Chief Officer to develop a local risk strategy and policy for approval by the Partnership Board. The HSCP Board Financial Regulations can be viewed [here](#) (see Appendix 1, 7.)

The HSCP Board approved its Risk Management Strategy & Policy at its August 2015 meeting, which can be viewed [here](#) (see Appendix 1, 8.)

Following the planned and formal review of strategic risks by the Senior Management Team, an updated strategic risk register (underpinned by operational risk registers) was presented in draft for discussion at the September 2017 meeting of the Audit Committee. That updated strategic risk register, with mitigating actions was endorsed by the Audit Committee for recommendation to the full Partnership Board at the November 2017 meeting. This can be viewed [here](#) (item 10) (see Appendix 1, 9.)

West Dunbartonshire Health & Social Care Partnership

West Dunbartonshire Integration Joint Board – Annual Accounts for the Year Ended 31st March 2018

Some of the key risks identified below have a pre-mitigation assessment risk grade of “extreme” or “high” but with mitigating actions the likelihood of this outcome should reduce:

Strategic Risk	Mitigating Action
Failure to deliver efficiency savings targets as approved by HSCP Board, including as a consequence of savings proposals implemented by other sections/divisions of WDC or NHSGGC and agree and operate within allocated budget.	On-going process of managing and reviewing the budget by the Senior Management Team. A recovery plan will be implemented to address areas of significant in-year overspend. Savings options under review expected to be challenging – horizon scanning being undertaken with respect to delivery of Strategic Plan within context of both wider WDC and NHSGGC processes. Continue to work with corporate colleagues within WDC and NHSGGC and engage with forums/groups to identify proposals for financial savings and/or service redesign that may have a negative impact on HSCP services and/or budgets. Continue to work with NHSGGC and GGC-wide IJBs on bringing forward notification and approval of budget allocation, before the start of the financial year to allow for early identification of actual funding gap to be filled by efficiency savings.
Failure to plan and adopt a balanced approach to manage the year-round unscheduled care pressures; and related business continuity challenges that are faced in winter.	Develop and implement a WD HSCP unscheduled care plan for community services that addresses the 12 critical areas outlined in the national Preparing for Winter Guidance. Through locality arrangements, emphasise importance of general practices reviewing their business continuity plans.
Failure to ensure that systems are in place to ensure that services are delivered by appropriately qualified and/or professionally registered staff.	Systems are in place to discharge this in line with NHSGGC policy & WDC requirements; and compliance with standards set by external scrutiny and registration bodies.
Failure to manage workforce pressures, recruitment demands and staff absence levels.	Continued implementation of HSCP Workforce and Organisational Development Strategy and Support Plan, including succession planning. Staff absence and appropriate application of relevant organisational policies regularly reported on and routinely review by SMT and line managers; and also standing item for consideration at HSCP Joint Staff Forum meetings.

Even with mitigating actions the likelihood of downgrading the “extreme” financial risks around efficiency targets and future funding is not possible in the current climate of financial austerity and short term funding allocations. However working in partnership with Chief Officers, Chief Financial Officers, COSLA and NHS Boards this has been recognised at the highest level within the Scottish Government.

In late May 2018, the funding allocation letters that underpin significant government reform in Primary Care Transformation, incorporating the new GP Contract and Mental

West Dunbartonshire Health & Social Care Partnership

West Dunbartonshire Integration Joint Board – Annual Accounts for the Year Ended 31st March 2018

Health Strategy (including Action 15 – an additional 800 mental health workers) have included indicative 3 year funding allocations. This will allow IJBs to work with Health Boards and other partners to better plan for the significant workforce changes required to fulfil these commitments.

One of the most significant financial risks for the WDHSCP Board in 2018/19 is the cost of GP Prescribing now that the risk-sharing arrangement the IJBs' had with NHSGGC has been withdrawn. Over the last couple of financial years, increases to drug tariffs, less than anticipated savings from drugs moving to off patent and the unprecedented level of some widely prescribing drugs going onto short supply, has meant that NHSGGC have had to cover year end overspends (£6.7m for 2017/18).

The volatility over drug prices made budgeting for 2018/19 extremely difficult and at its peak it was anticipated that it could cost WD HSCP Board approximately £1m more than in 2017/18. This placed a significant burden on the budget gap, which could only be covered if savings in excess of 5% were found. This was in addition to the ambitious prescribing efficiency measures agreed by the Prescribing Efficiency Group of approximately £11m across the six Glasgow partnerships.

As the months have progressed leading up to the final 2018/19 budget setting there has been positive movement on the cost of short supply. The latest estimate (after efficiencies) is an increase of approx 2.6% required on existing budgets.

The HSCP Board took the pragmatic decision to allow for a small adjustment for error and set a budget which required a level of savings that would cover up to a 3% increase in prescribing costs.

The delivery of all 2018/19 HSCP Board approved savings is also a risk. The approved savings options have to release cost efficiencies of £0.597m within social care and £0.619m in health care services. Some savings are related to a small reduction in staffing and the achievement of turnover savings, but only where it is practicable to do so and does not have a detrimental impact on front line delivery.

The HSCP Board's Reserves Strategy is in place to help mitigate any delay in the achievement of 2018/19 savings programmes as well as future financial risk. While in the early days of IJBs it was not anticipated that significant reserves could be accumulated, there have been opportunities to establish reserves through the additional funding directed to IJBs through the Social Care Fund, Delayed Discharge, Primary Care Transformation and other specific funding streams.

The HSCP Board's Reserves Policy recommends that its aspiration should be a general reserves level of 2% of its net expenditure (excluding Family Health Services). This would equate to approximately £2.5m and for 2017/18 the final position is £1.7m (see Note 10: Usable Reserve: General Fund). This resource coupled with earmarked reserves of £4.4m will be utilised by the HSCP Board to both underwrite any unforeseen service volatility and to support service redesign to deliver sustainable, high quality health and care services to West Dunbartonshire communities.

Also for 2018/19 and the medium term the HSCP Board will closely monitor progress on the delivery of its approved savings programmes, through robust budget monitoring processes and savings trackers. As part of its commitment to a strong governance framework around regular and robust budget and performance monitoring and on-going assessment of risk, the HSCP Board and its senior officers will monitor such developments and will take appropriate action as required.

West Dunbartonshire Health & Social Care Partnership

West Dunbartonshire Integration Joint Board – Annual Accounts for the Year Ended 31st March 2018

There are a number of risks which may impact on the successful implementation of the Carers' Act. The financial impact of waiving of charges for carers has not been quantified. There is a risk this may place significant financial pressure on the future budget plans.

Local work is underway to explore further the potential impact of waiving of charges. There may be additional resources required to undertake carers' assessments, Self-Directed Support and care management. A working group has been being established to review and monitor approach and impact on services. The expectations of carers and the delivery of an open eligibility criteria needs to be reviewed in terms of financial impact and supported within available resources and / or allocated funding. There is a need for clear financial modelling within the first year of the Carers' Act to better understand how this change could impact the current planned commitments.

The Scottish Government's extension to Free Personal and Nursing Care to those under 65 is due to commence on 1st April 2019. This is a complex piece of legislation and it is simply not a case of extending a current policy by incorporating another age band. Extending free personal care to under 65s could have important benefits for many people who are charged for these services and could mean an increase in demand for these services.

By April 2019 all IJBs need be able to provide free personal care to all eligible adults at no cost. The HSCP Board (through delegated authority of WDC) would need to have a clear and unambiguous charging policy to ensure it is clearly laid out what free personal care actually means i.e. what is included and what is not. This would include the provision of good quality information on their charging policies so that service users, their carers and their families understand how their charges are calculated and how we will collect them.

Over the coming year the HSCP Board will be reviewing and establishing systems and processes to ensure high standards of conduct and effective governance, and establishing a culture of openness, support and respect of:

- Waiving of charges;
- Assessment - personal care v non personal care;
- Financial Assessments for those in residential care;
- Residential Care Contracts;
- Monitoring and Accountability processes; and
- Review and monitoring processes.

The HSCP Board through the delivery of its Strategic and Financial Plans will continue to develop, transform and deliver high quality health and social care services to the people of West Dunbartonshire.

Marie McNair
HSCP Board Chair

Date: 20th June 2018

Beth Culshaw
Chief Officer

Date: 20th June 2018

Julie Slavin CPFA
Chief Financial Officer

Date: 20th June 2018

STATEMENT OF RESPONSIBILITIES

Responsibilities of the Health and Social Care Partnership Board

The Health and Social Care Partnership 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 partnership, that officer is the Chief Financial Officer.
- Manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets.
- Ensure the Annual Accounts are prepared in accordance with legislation (The Local Authority Accounts (Scotland) Regulations 2014), and so far as is compatible with that legislation, in accordance with proper accounting practices (section 12 of the Local Government in Scotland Act 2003).
- Approve the Annual Accounts.

Marie McNair
HSCP Board Chair

Date: 20th June 2018

Responsibilities of the Chief Financial Officer

The Chief Financial 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 Financial 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 Financial 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 West Dunbartonshire Health and Social Care Partnership Board as at 31 March 2018 and the transactions for the year then ended.

Julie Slavin CPFA
Chief Financial Officer

Date: 20th June 2018

REMUNERATION REPORT

Introduction

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

It discloses information relating to the remuneration and pension benefits of specified WD 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.

The HSCP Board does not directly employ any staff. All staff working within the HSCP are employed through either NHSGGC or WDC; and remuneration for senior staff is reported through those bodies. This report contains information on the HSCP Board Chief Officer and Chief Financial Officer's remuneration together with details of any taxable expenses relating to HSCP Board voting members claimed in the year.

Membership of the HSCP Board is non-remunerated; for 2017/18 no taxable expenses were claimed by members of the partnership board.

1. Health and Social Care Partnership Board

The voting members of the HSCP Board were appointed through nomination by Greater Glasgow and Clyde Health Board or West Dunbartonshire Council. Nomination of the HSCP Board Chair and Vice Chair post holders alternates, every 3 years, between a Councillor for WDC or a NHSGGC Health Board representative.

The HSCP Board does not pay allowances or remuneration to voting board members; voting board members are remunerated by their relevant partner organisation.

The HSCP Board does not have responsibilities, either in the current year or in future years, for funding any pension entitlements of voting members. Therefore, no pension rights disclosures are provided for the Chair or Vice Chair. For 2017/18 no voting member received any form or remuneration from the HSCP Board as detailed in the table over.

Voting Board Members 2017/18	Nominating Organisation
Marie McNair (Chair)	West Dunbartonshire Council
John Mooney	West Dunbartonshire Council
Denis Agnew	West Dunbartonshire Council
Allan Macleod (Vice Chair)	NHS Greater Glasgow and Clyde
Heather Cameron (Note 1)	NHS Greater Glasgow and Clyde
Rona Sweeney	NHS Greater Glasgow and Clyde
Audrey Thomson (Note 2)	NHS Greater Glasgow and Clyde

Note 1: Last HSCP Board Meeting 31st May 2017

Note 2: Appointed to HSCP Board 23rd August 2017

West Dunbartonshire Health & Social Care Partnership

West Dunbartonshire Integration Joint Board – Annual Accounts for the Year Ended 31st March 2018

2. Senior Officers

The HSCP Board does not directly employ any staff. All staff working within the HSCP are employed through either NHSGGC or WDC; and remuneration for senior staff is reported through those bodies.

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.

During 2017/18 there was a change to the Chief Officer post due to the retirement of Keith Redpath on 31st July 2017. The new Chief Officer, Beth Culshaw, took up post on 3rd July 2017 to allow for a handover period.

Mr Redpath was employed by NHSGGC and held an honorary contract with WDC. Ms Culshaw is employed by WDC, and holds an honorary contract with NHSGGC.

The Chief Officer post funding is included equally in the partner contributions.

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 below.

Total Earnings 2016/17 £	Senior Officers	Salary, Fees & Allowance £	Compensation for Loss of Office £	Total Earnings 2017/18 £
107,436	K Redpath Chief Officer (End date 31/07/17)	35,812 (FYE 107,436)		35,812
41,446	J Slavin Chief Financial Officer	69,795		69,795
-	B Culshaw Chief Officer (Start date 03/07/17)	77,784 (FYE £103,000)		77,784
43,596	J Middleton (Retired 16/10/2016) Chief Financial Officer	-		-

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.

West Dunbartonshire Health & Social Care Partnership

West Dunbartonshire Integration Joint Board – Annual Accounts for the Year Ended 31st March 2018

Senior Officers	In Year Pension Contributions		Accrued Pension Benefits		
	For year to 31/03/17 £000	For year to 31/03/18 £000		For year to 31/03/17 £000	For year to 31/03/18 £000
K Redpath	16	5	Pension	17	-
Chief Officer (Retired 31/07/17)			Lump Sum	50	-
J Slavin	6	10	Pension	1	3
Chief Financial Officer (Start Date 22/08/16)			Lump Sum	-	-
B Culshaw	-	15	Pension	-	1
Chief Officer (Start date 03/07/17)			Lump Sum	-	-
J Middleton	6	-	Pension	-	-
Chief Financial Officer (Retired 16/10/16)			Lump Sum	-	-

The officers detailed above are all members of the NHS Superannuation Scheme (Scotland) or Local Government Scheme. The pension figures shown relate to the benefits that the person has accrued as a consequence of their total public sector service, and not just their current appointment. The contractual liability for employer pension's contributions rests with NHS Greater Glasgow & Clyde and West Dunbartonshire Council. On this basis there is no pension liability reflected on the HSCP Board balance sheet.

Disclosure by Pay Bands

As required by the regulations, the following table shows the number of persons whose remuneration for the year was £50,000 or above, in bands of £5,000.

Remuneration Band	Number of Employees 31/03/2017	Number of Employees 31/03/2018
£65,000 - £69,999		1
£75,000 - £79,999		1
£105,000 - 109,999	1	

Marie McNair
HSCP Board Chair

Date: 20th June 2018

Beth Culshaw
Chief Officer

Date: 20th June 2018

ANNUAL GOVERNANCE STATEMENT

Introduction

The Annual Governance Statement explains the HSCP Board's governance arrangements as it meets the requirements of the "Code of Practice for Local Authority Accounting in the UK" (the Code) and reports on the effectiveness of the HSCP Board's system of internal control, including the reliance placed on the governance frameworks of our partners.

Scope of Responsibility

The HSCP Board is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. To secure best value the Strategic Plan 2016-19 commits to continuous quality improvement in performance across all areas of activity.

To meet this responsibility the HSCP Board continues to have in place robust arrangements for governance of its affairs and effectiveness of its functions, including the identification, prioritisation and the management of risk.

In discharging this responsibility, the Chief Officer has put in place arrangements for governance which includes a system of internal control. The system is intended to manage risk, to a reasonable level, to support the delivery of the HSCP Board's policies, aims and objectives. Reliance is also placed on Greater Glasgow and Clyde Health Board and West Dunbartonshire Council's systems of internal control that support compliance with both partner organisations' policies and promotes achievement of each organisation's aims and objectives, as well as those of the HSCP Board.

The Chief Internal Auditor reports directly to the HSCP Board's Audit Committee on all audit matters, with the right of access to the Chief Officer, Chief Financial Officer and Chair of the Audit Committee on any matter.

The Governance Framework and Internal Control System

The governance framework is comprised of systems and processes; cultures and values; by which the HSCP is directed and controlled. The system of internal control is based on an ongoing process designed to identify, prioritise and manage the risks facing the organisation. It enables the HSCP Board to monitor and evaluate the achievements of the strategic objectives laid out within its Strategic Plan and consider whether these have been delivered in an appropriate and cost effective manner.

The HSCP Board comprises of the Chair and five other voting members, nominated equally by West Dunbartonshire Council and Greater Glasgow and Clyde Health Board. There are also a number of professional and stakeholder non-voting members, including the Chief Officer, Chief Financial Officer and representatives from the third sector and service users on the board. As defined within the Integration Scheme the Chief Officer is responsible for the preparation, implementation and reporting on the Strategic Plan.

The HSCP Board adopted governance arrangements consistent with the Chartered Institute of Public Finance and Accounting (CIPFA) and the Society of Local Authority Chief Executives (SOLACE) framework "Delivering Good Governance in Local Government". Based on the framework's seven core principles a Local Code of Good

West Dunbartonshire Health & Social Care Partnership

West Dunbartonshire Integration Joint Board – Annual Accounts for the Year Ended 31st March 2018

Governance is in place which will be reviewed regularly and updated to reflect best practice, new legislative requirements and the needs of all our stakeholders.

The Local Code of Good Governance was approved by the HSCP Board’s Audit Committee in September 2017, together with a full self-assessment of its compliance to the main principles and sub principles. This review is undertaken by detailing examples of current systems, processes, policies, reports in place and current developments. There were no areas assessed to be non-compliant and more than half were considered fully compliant. In the areas that assessed as generally compliant an Action Plan was produced detailing the improvement action and the lead officer responsible. An extract of some of the main actions are:

Improvement Action	Lead Officer	Due Date
Implement approved Partnership Board and Board Member Development Programme.	Head of People & Change	February 2018
Introduce annual compliance check of register of interests and hospitality by individual members as part of annual accounts process.	Chief Financial Officer	April 2018
Develop and approve a FOI policy specific to the Partnership Board.	Head of Strategy, Planning & Health Improvement	November 2017
Refresh and update local Self Directed Support arrangements.	Head of Strategy, Planning & Health Improvement	March 2018
Develop medium term financial plan.	Chief Financial Officer	February 2018
In partnership with NHSGGC, Scottish Government and GGC IJBs agree on methodology that allows Set Aside resources to be quantified and reflect actual activity to comply with legislation on the use of this resource in shifting the balance of care.	Chief Financial Officer	June 2018
Develop a protocol with NHSGGC auditors to share internal audit report findings with Chief Financial Officer and Chief Internal Auditor.	Chief Internal Auditor	December 2017

The full report can be found [here](#) (see Appendix 1, 10.)

The main features of the HSCP Board’s governance framework and system of internal control can be found in its Local Code, with the key features summarised below:

- The HSCP Board is formally constituted through the Integration Scheme which sets out the local governance arrangements, including definition of roles, workforce, finance, risk management, information sharing and complaints;
- The Strategic Plan 2016-2019 sets out the purpose, strategic vision and commissioning priorities for the next three years – with a clear commitment to the delivery of effective and clinical care governance and Best Value with the resources available in the Annual Financial Statement;
- The scope, authority, governance and strategic decision making of the HSCP Board and Audit Committee is set out in key constitutional documents including the scheme of delegation, terms of reference, code of conduct, standing orders and financial regulations;

West Dunbartonshire

Health & Social Care Partnership

West Dunbartonshire Integration Joint Board – Annual Accounts for the Year Ended 31st March 2018

- The Performance Management Framework commits to regular performance and financial reporting on the delivery of outcomes and key indicators as set out within the Strategic Plan. Building on the well received Annual Performance Reports of the last few years, each meeting of the HSCP Board receives quarterly performance and finance reports, which has already been scrutinised by the Senior Management Team;
- The Participation and Engagement Strategy sets out the HSCP Board's approach to engaging with stakeholders. The Cabinet Secretary for Health's response to the Health and Sport Committee's Report "Are They Involving Us" highlighted West Dunbartonshire as a good example of local engagement. Our Local Engagement Networks (LENs) allow for both targeted and general engagement across localities;
- The Risk Management Strategy including the risk management policy and strategic risk register (underpinned by operational risk registers) are scrutinised annually by the Audit Committee with level of risk, its anticipated effect and mitigating action endorsed before being referred to the HSCP Board;
- The Reserves Policy is reviewed as part of the annual budget setting process and have identified a reasonable level of both general and earmarked reserves after its first full year of operation;
- Capital Project Boards, chaired by the Chief Officer tasked with the planning, scrutiny and delivery of significant capital investment by West Dunbartonshire Council and Greater Glasgow and Clyde Health Board for a new Residential Care Home and Health and Care Centre in Clydebank;
- A performance appraisal process is in place for all employees and staff are also required to undertake mandatory training to reinforce their obligations to protect our service users; and
- Effective scrutiny and service improvement activities are supported by the formal submission of reports, findings and recommendations by Audit Scotland, our external auditors, Inspectorates and the appointed Internal Audit service to the HSCP Board and Audit Committee.

The governance framework described operates within the system of internal financial controls, including management and financial information, financial regulations, administration (including segregation of duties), management supervision and a system of delegation and accountability. Development and maintenance of these systems is undertaken by the Council and the Health Board as part of the operational delivery arrangements set out within the Integration Scheme. During 2017/18 this included:

- Key Financial Control Reviews including Accounts Payable, Payroll (including Overtime) and Fixed Assets;
- ICT Disaster Recovery/Business Continuity Controls;
- Data and Information Security – Governance and Practice;
- Setting targets to measure financial and other performance, including absence management; and
- Use of CareFirst (social care case management system) Functionality for Financial Management.

Compliance with Best Practice

The HSCP Board's financial management arrangements conform to the governance requirements of the CIPFA statement "*The Role of the Chief Financial Officer in Local Government (2010)*". To deliver these responsibilities the Chief Financial Officer must lead and direct a finance function that is resourced and fit for purpose and be professionally qualified and suitably experienced.

The HSCP Board complies with the requirements of the CIPFA Statement on "*The Role of the Head of Internal Audit in Public Organisations 2010*". The HSCP Board's appointed

Chief Internal Auditor has responsibility for the internal audit function and is professionally qualified and suitably experienced to lead and direct internal audit staff. The Internal Audit service generally operates in accordance with the CIPFA “Public Sector Internal Audit Standards 2013”.

The HSCP Board’s Audit Committee operates in accordance with CIPFA’s “Audit Committee Principles in Local Authorities in Scotland and Audit Committees: Practical Guidance for Local Authorities”.

Review of Adequacy and Effectiveness

The HSCP Board’s is committed to continuous improvement and is responsible for conducting at least annually, a review of its governance framework including the system of internal control. The review of the effectiveness of the framework is informed by the work of the Chief Officer and the Senior Management Team who have the responsibility for development and maintenance of the governance environment; the work of the Internal and External Auditors and inspections and reports of other review agencies, including the Care Inspectorate.

The HSCP Board adopted “The Code of Practice for Local Authority Accounting”, recommendation that the local code is reviewed each year, in order that it can inform the Governance Statement. This review was carried out and approved by the Audit Committee in June 2018 and can be found on the HSCP website [here](#) (see Appendix 1, 11)

In summary there was some improvement in the sub-principles deemed fully compliant, the September Action Plan was updated and some new improvement actions were identified (see section “Governance Issues 2017/18 and Further Actions” below).

Other reviews to improve effectiveness include:

- Refresh of the HSCP Board’s Financial Regulations;
- Review of remit and membership of the Clinical and Care Governance Group;
- Formation of local Prescribing Group to support the work of the Prescribing Efficiency Group; and
- Approval of the Strategic Planning Group - a sub-committee of the HSCP Board.

Also supporting the review of the HSCP Board’s governance framework are the processes of West Dunbartonshire Council and Greater Glasgow and Clyde Health Board.

Within the council each member of the Corporate Management Team presents an annual statement on the adequacy and effectiveness of control (including financial control), governance and risk management arrangements within their service area. Through the delegation of operational responsibility for the delivery of all social care services these statements were provided by the HSCP’s Chief Officer, Chief Financial Officer and Senior Management Team. The responses to these are considered as part of the review of the HSCP Board’s and Council’s governance arrangements and inform the Chief Internal Auditor’s Annual Reports. Some of the key improvements noted in 2017/18 are:

- Legislative compliance in relation to child protection through the local Child Protection Committee;
- Introduction of Be the Best Conversations across Community Care staff;
- Actioned Public Service Improvement Framework (PSIF) process in both Mental Health and Learning Disability Services; and
- Update of Business Continuity Plan in partnership with the council and the health board.

West Dunbartonshire Health & Social Care Partnership

West Dunbartonshire Integration Joint Board – Annual Accounts for the Year Ended 31st March 2018

Within the health board a similar process is in operation where service managers and Chief Officers complete a “Self Assessment Checklist” covering all the key areas of the internal control framework.

Update on Previous Governance Issues

As highlighted in the 2016/17 governance statement the approval process for budget setting for West Dunbartonshire Council and Greater Glasgow and Clyde Health Board follow different timetables, which has led to delays in the HSCP Board being able to approve its Annual Revenue Budget, including savings options. The council sets its budget before the end of March each year and informs the HSCP Board of its funding allocation, whereas the health board is late June.

In 2017/18 the budget was not approved until the 23 August 2017, which impacted on the reporting of the 2017/18 financial performance and uncertainty over the possible utilisation of reserves.

To improve the 2018/19 financial planning exercise, from late December 2017 the Chief Officers and Chief Financial Officers of the six Glasgow area partnerships worked closely with the Chief Executive and Director of Finance of Greater Glasgow and Clyde Health Board to work through the elements of the Scottish Government’s financial settlement and expectations of funding to support Health and Social Care to agree on the key elements of funding. Notwithstanding the work continuing around “Set Aside” budgets, the HSCP Board was able to consult publicly on savings options throughout April 2018 and set its 2018/19 Annual Revenue Budget on 2 May 2018.

Governance Issues 2017/18 and Further Actions

As referred to under “Review of Adequacy and Effectiveness” above the Local Code was reviewed and reported to the 20 June 2018 Audit Committee. The overall assessment was that there were improvements in overall compliance with the principles of the code, due to the progress of the Improvement Actions identified in the September 2017 review. However some of these improvements will require time to fully develop as detailed below:

Improvement Action	Lead Officer	Due Date	Review June 2018
Implement approved Partnership Board and Board Member Development Programme.	Head of People & Change	February 2018	Underway – full programme to be agreed
Introduce annual compliance check of register of interests and hospitality by individual members as part of annual accounts process.	Chief Financial Officer	April 2018	Complete May 2018
Develop and approve a FOI policy specific to the Partnership Board.	Head of Strategy, Planning & Health Improvement	November 2017	Complete Approved by HSCP Board Nov 2017

West Dunbartonshire Health & Social Care Partnership

West Dunbartonshire Integration Joint Board – Annual Accounts for the Year Ended 31st March 2018

Improvement Action	Lead Officer	Due Date	Review June 2018
Refresh and update local Self Directed Support arrangements.	Head of Strategy, Planning & Health Improvement	March 2018	Update Report to June 2018 HSCP Board
Develop medium term financial plan.	Chief Financial Officer	February 2018	Revised to Nov 2018. Scenario planning underway – must reflect priorities of new Strategic Planning Group and be reflective of Scottish Govt funding streams.
In partnership with NHSGGC, Scottish Government and GGC IJBs agree on methodology that allows Set Aside resources to be quantified and reflect actual activity to comply with legislation on the use of this resource in shifting the balance of care.	Chief Financial Officer	June 2018	Data sets have been agreed and progress reported to the Scottish Government June 2018. Impact of set-aside funding must be considered from 2019/20.
Develop a protocol with NHSGGC auditors to share internal audit report findings with Chief Financial Officer and Chief Internal Auditor.	Chief Internal Auditor	December 2017	Chief Financial Officer formally wrote to NHSGGC and clause on information sharing included in tender to appoint new auditors from April 2018.

The review also included the HSCP Board's Improvement Actions for 2018/19:

Improvement Action	Lead Officer	Due Date
Review the effectiveness of the Audit Committee and the Terms of Reference	Chief Internal Auditor	December 2018
Review the effectiveness of the new Strategic Planning Group	Chief Officer & Head of Strategy, Planning and Health Improvement	March 2019
Consider long term financial planning in the context of projections and assumptions made by HSCP Board's funding partners.	Chief Financial Officer	June 2019

Conclusion and Opinion on Assurance

The Chief Internal Auditor's 2017/18 Annual Report to the HSCP Board's Audit Committee concluded that based on the audit work undertaken, the assurances provided by the Chief Officers of the HSCP Board, West Dunbartonshire Council and Greater Glasgow and Clyde Health Board and knowledge of the HSCP Board's governance, risk management and performance monitoring arrangements:

"It is my opinion, based on the above, that reasonable assurance can be placed upon the adequacy and effectiveness of systems of governance, risk management and internal control in the year to 31 March 2018 within the Council and the Health Board over which the Partnership Board requires to receive assurances and within the Health & Social Care Partnership Board itself."

Assurance and Certification

Whilst recognising that improvements are required, as detailed above, it is our opinion that reasonable assurance can be placed upon the adequacy and effectiveness of the HSCP Board's system of governance.

We consider the internal control environment provides reasonable and objective assurance that any significant risks impacting on our principal objectives will be identified and actions taken to mitigate their impact and deliver improvement.

Marie McNair
HSCP Board Chair

Date: 20th June 2018

Beth Culshaw
Chief Officer

Date: 20th June 2018

West Dunbartonshire Health & Social Care Partnership

West Dunbartonshire Integration Joint Board – Annual Accounts for the Year Ended 31st March 2018

COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT

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

2016/17 Gross Expenditure Restatement £000	2016/17 Gross Income Restatement £000	2016/17 Net Expenditure Restatement £000	West Dunbartonshire Integrated Joint Board Health & Social Care Partnership	2017/18 Gross Expenditure £000	2017/18 Gross Income £000	2017/18 Net Expenditure £000
Consolidated Health & Social Care						
32,972	(7,183)	25,789	Older People Residential, Health and Community Care	37,656	(7,113)	30,543
13,786	(711)	13,075	Homecare	14,219	(652)	13,567
2,751	(242)	2,509	Physical Disability	2,972	(190)	2,782
19,881	(769)	19,112	Children's Residential Care and Community Services (including specialist)	21,879	(978)	20,901
1,929	(78)	1,851	Strategy Planning and Health Improvement	1,674	(77)	1,597
11,085	(1,505)	9,580	Mental Health Services - Adult & Elderly Community and Inpatients	11,133	(2,099)	9,034
3,013	(154)	2,859	Addictions	3,093	(172)	2,921
15,542	(379)	15,163	Learning Disabilities - Residential and Community Services	16,225	(485)	15,740
24,406	(988)	23,418	Family Health Services (FHS)	24,952	(990)	23,962
19,294	0	19,294	GP Prescribing	19,887	0	19,887
6,246	(182)	6,064	Hosted Services - MSK Physio	6,052	(275)	5,777
770	(4)	766	Hosted Services - Retinal Screening	745	(4)	741
3,742	(3,726)	16	Criminal Justice	1,962	(1,961)	1
1,536	(829)	707	HSCP Corporate and Other Services	1,978	(986)	992
254	0	254	IJB Operational Costs	283	0	283
157,207	(16,750)	140,457	Cost of Services Directly Managed by West Dunbartonshire HSCP	164,710	(15,982)	148,728
17,066		17,066	Set aside for delegated services provided in large hospitals	17,066	0	17,066
0	0	0	Services hosted by other NHS GGC IJBS Note 2 and 4	0	0	0
0	0	0	Services hosted by West Dunbartonshire IJB for other IJBS Note 2 and 4	0	0	0
702	0	702	Assisted garden maintenance and Aids and Adaptions	927	0	927
174,975	(16,750)	158,225	Total Cost of Services to West Dunbartonshire HSCP	182,703	(15,982)	166,721
	(162,181)	(162,181)	Taxation & Non-Specific Grant Income (contribution from partners) Note 6		(167,295)	(167,295)
		(3,956)	(Surplus) or Deficit on Provisions of Services			
			Total Comprehensive Income and Expenditure			(574)

West Dunbartonshire Health & Social Care Partnership

West Dunbartonshire Integration Joint Board – Annual Accounts for the Year Ended 31st March 2018

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.

Movement in Reserves During 2017/18	Unearmarked Reserves Balance £000	Earmarked Reserves Balance £000	Total General Fund Reserves £000
Opening Balance as at 31 March 2017	(2,080)	(3,488)	(5,568)
Total Comprehensive Income and Expenditure (Increase) / Decrease 2017/18	375	(949)	(574)
Closing balance as at 31 March 2018	(1,705)	(4,437)	(6,142)

BALANCE SHEET

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

2016/17 £000		Notes	2017/18 £000
5,568	Short Term Debtors	7	6,412
5,568	Current Assets		6,412
-	Short Term Creditors	8	-
-	Current Liabilities	-	-
5,568	Net Assets	-	6,412
(2,033)	Usable Reserves: General Fund	9	(1,705)
(3,535)	Usable Reserves: Earmarked	9	(4,437)
(5,568)	Total Reserves	-	(6,142)

The unaudited accounts were issued on 20th June 2018 and the audited accounts were authorised for issue on 27th September 2018.

Julie Slavin CPFA
Chief Financial Officer

Date: 20th June 2018

NOTES TO THE FINANCIAL STATEMENTS

1. Significant Accounting Policies

1.1 General Principles

The Financial Statements summarises the HSCP Board's transactions for the 2017/18 financial year and its position at the year-end of 31 March 2018.

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 2017/18, 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.

1.2 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

1.3 Funding

The HSCP Board is primarily funded through funding contributions from the statutory funding partners, WDC and NHSGGC. Expenditure is incurred as the HSCP Board commission's specified health and social care services from the funding partners for the benefit of service recipients in West Dunbartonshire.

1.4 Cash and Cash Equivalents

The HSCP Board does not operate a bank account or hold cash and therefore has not produced a cashflow statement for these annual accounts. 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 2018, is represented as a debtor or creditor on the HSCP Board's Balance Sheet.

1.5 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 31st 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.

1.6 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 2018 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 2018, 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 2018, 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.

1.7 Reserves

The HSCP Board's reserves are classified as either Usable or Unusable Reserves.

The HSCP Board's only Usable Reserve is the General Fund. The balance of the General Fund as at 31 March 2018 shows the extent of resources which the HSCP Board can use in later years to support service provision or for specific projects.

1.8 Indemnity Insurance

The HSCP Board has indemnity insurance for costs relating primarily to potential claim liabilities regarding HSCP Board member and officer responsibilities. Greater Glasgow and Clyde Health Board and West Dunbartonshire Council 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's participation in the CNORIS scheme is therefore analogous to normal insurance arrangements.

West Dunbartonshire Health & Social Care Partnership

West Dunbartonshire Integration Joint Board – Annual Accounts for the Year Ended 31st March 2018

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 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.

1.9 VAT

The HSCP 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 under a special regime.

2. **Prior Year Re-Statement – Hosted Services**

As detailed within the Management Commentary, the accounting treatment regarding Hosted Services changed in 2017/18 after consideration of the current management arrangements. Further details are provided under Note 4 Critical Judgements and Estimation Uncertainty.

3. **Accounting Standards Issued Not Yet Effective**

The Code requires the disclosure of information relating to the expected impact of an accounting change that will be required by a new standard that has been issued but not yet adopted.

The HSCP Board considers that there are no such standards which would have significant impact on its Annual Accounts.

4. **Critical Judgements and Estimation Uncertainty**

In applying the accounting policies set out above, the HSCP has had to make a critical judgement relating to complex transactions in respect of the values included for services hosted within HSCP and other IJBs within the NHSGGC area. In previous financial years the financial accounts have been prepared on the basis that costs associated within activity for services related to non-West Dunbartonshire residents were removed and transferred to other IJB's to reflect the location of the service recipients. Costs were also added to reflect activity for services delivered by other IJB's related to West Dunbartonshire residents. The costs removed/added were based upon budgeted spend such that any overspend or underspend remains with the hosting IJB.

In preparing the 2017/18 financial statements these adjustments will no longer be made. Within NHSGGC each IJB has operational responsibility for services which it hosts on behalf of other IJB's. In delivering these services the IJB has primary responsibility for the provision of the services and bears the risk and reward associated with this service delivery in terms of demand and the financial resources required. As such, the IJB is considered to be acting as 'principal', and the costs should be reflected within the

West Dunbartonshire Health & Social Care Partnership

West Dunbartonshire Integration Joint Board – Annual Accounts for the Year Ended 31st March 2018

financial statements for the services which it hosts. This is the basis on which 2017/18 accounts have been prepared.

The set aside resource for delegated services provided in large hospitals is determined by analysis of hospital activity and cost information. The value included in the accounts is calculated by NHSGGC using the average of activity data for each partnership population covering to 2013 to 2015 and 2014/15 cost data, uprated for 1% annual inflation for each year. In 2017/18 a Working Group, with membership from NHSGGC, Glasgow IJB and the Scottish Government, convened to consider how best to identify actual activity for each IJB and the associated cost. A data set should be agreed before the end of 2018. As such, the set aside sum included in the accounts remains at the notional level and does not reflect actual hospital activity in 2017/18.

5. Events After the Reporting Period

The Annual Accounts were authorised for issue by the Chief Financial Officer on 27th September 2018. 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 31st March 2018, the figures in the financial statements and notes have been adjusted in all material respects to reflect the impact of this information.

6. Expenditure and Income Analysis by Nature

2016-17 Restatement £000	West Dunbartonshire Integrated Joint Board Health & Social Care Partnership Consolidated Health & Social Care Services	2017-18 £000
65,718	Employee Costs	65,382
1,014	Property costs	859
1,427	Transport	1,459
4,096	Supplies and Services	7,806
39,400	Payment to Other Bodies	42,586
22,935	Prescribing	23,346
20,764	Family Health Services	21,262
1	Capital Charges	1
1,835	Other - Direct Payments	1,985
17	Audit Fee	24
702	Assisted Garden Maintenance and Aids and Adaptions	927
17,066	Set Aside for Delegated Services Provided in Large Hospitals	17,066
(16,750)	Income	(15,982)
(162,181)	Taxation and non specific grant income	(167,295)
(3,956)	Surplus on the Provision of Services	(574)

West Dunbartonshire Health & Social Care Partnership

West Dunbartonshire Integration Joint Board – Annual Accounts for the Year Ended 31st March 2018

7. Taxation and Non-Specific Grant Income

The table below shows the funding contributions from the two partner organisations. This note has been re-stated for 2016/17 to reflect the revised position in relation to hosted services (Note 2). The funding contribution from the NHS Greater Glasgow and Clyde Health Board shown below includes £17.066m in respect of 'set aside' resources relating to acute hospital and other resources. These are provided by the Health Board 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.

2016-17 Restatement £000	Taxation and Non -Specific Grant Income	2017-18 £000
(82,899)	NHS Greater Glasgow and Clyde Health Board	(88,755)
(61,514)	West Dunbartonshire Council	(60,547)
(17,066)	NHS GGCHB Set Aside	(17,066)
(702)	Assisted garden maintenance and Aids and Adaptions	(927)
(162,181)	Total	(167,295)

8. Debtors

2016/17 £000	Short Term Debtors	2017/18 £000
1,628	NHS Greater Glasgow and Clyde Health Board	2,012
3,940	West Dunbartonshire Council	4,130
5,568	Total	6,142

9. Creditors

2016/17 £000	Short Term Creditors	2017/18 £000
0	NHS Greater Glasgow and Clyde Health Board	0
0	West Dunbartonshire Council	0
0	Total	0

West Dunbartonshire Health & Social Care Partnership

West Dunbartonshire Integration Joint Board – Annual Accounts for the Year Ended 31st March 2018

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 as at 31 March 2017 £000	West Dunbartonshire Council Earmarked Reserve	Transfers Out 2017/18 £000	Transfers In 2017/18 £000	Balance as at 31 March 2018 £000
(14)	GIRFEC Council	1	0	(13)
(60)	Criminal Justice - Transitional Funds		(11)	(71)
	Carers Funding		(37)	(37)
(833)	Social Care Fund - Living Wage	0	(390)	(1,223)
(1,000)	Service Redesign and Transformation	169	(250)	(1,081)
(1,907)	Total WDC Council	170	(688)	(2,425)
	Greater Glasgow & Clyde Health Board Earmarked Reserve			
(555)	Integrated Care Fund	400	(385)	(540)
(171)	Delayed Discharge	220	(152)	(103)
(175)	GIRFEC NHS	45	0	(130)
	Ophthalmology		0	0
(184)	DWP Conditions Management	5	0	(179)
(118)	TEC (Technology Enabled Care) Project	48	(103)	(173)
(26)	Primary Care Transformation Fund including Cluster Lead Funding	0	(239)	(265)
(3)	SMT Leadership Development Funding	3		0
(75)	Physio Waiting Times Initiative	0	(50)	(125)
	Retinal Screening Waiting List Grading Initiative		(60)	(60)
	GP Premises Improvement Funding		(47)	(47)
	MSK Ortho Project		(359)	(359)
	MSK Govan SHIP Project Funding		(31)	(31)
(274)	CHCP 2015/16 Saving	274		
(1,581)	Greater Glasgow & Clyde Health Board Earmarked Reserves	995	(1,426)	(2,012)
(3,488)	Total Earmarked Reserves	1,165	(2,114)	(4,437)
(2,080)	Total Unearmarked Reserves	1,100	(725)	(1,705)
(5,568)	Total General Fund Reserves	2,095	(2,151)	(6,142)
	Overall Movement Reserves			(574)

West Dunbartonshire Health & Social Care Partnership

West Dunbartonshire Integration Joint Board – Annual Accounts for the Year Ended 31st March 2018

11. Related Party Transactions

The HSCP Board has related party relationships with the Greater Glasgow and Clyde Health Board and West Dunbartonshire Council. 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 Greater Glasgow and Clyde Health Board

2016-17 £000		2017-18 £000
(99,965)	Funding Contributions Received from the NHS Board	(105,821)
99,385	Expenditure on Services Provided by the NHS Board	105,437
(580)	Net transactions with NHS Board	(384)

Balances with Greater Glasgow and Clyde Health Board

2016/17 £000		2017/18 £000
1,628	Debtors Balances: Amount Due from the NHS Board	2,012

Transactions with West Dunbartonshire Council

2016/17 £000		2017/18 £000
(61,514)	Funding Contributions Received from the Council	(60,547)
57,884	Expenditure on Services Provided by the Council	60,074
254	Key Management Personnel: Non Voting Members	283
(3,376)	Net Transactions with West Dunbartonshire Council	(190)

Balances with West Dunbartonshire Council

2016/17 £000		2017/18 £000
3,940	Debtors Balances: Amount Due from West Dunbartonshire Council	4,130

12. External Audit Costs

In 2016/17 the HSCP Board incurred the following fees relating to external audit in respect of external audit services undertaken in accordance with the Code of Audit Practice:

2016/17 £000		2017/18 £000
17	Fees Payable	24

West Dunbartonshire Health & Social Care Partnership

West Dunbartonshire Integration Joint Board – Annual Accounts for the Year Ended 31st March 2018

INDEPENDENT AUDITOR'S REPORT

For Draft Accounts – this page is left intentionally blank

West Dunbartonshire Health & Social Care Partnership

West Dunbartonshire Integration Joint Board – Annual Accounts for the Year Ended 31st March 2018

APPENDIX 1: LIST OF WEBSITE LINKS

1. <http://www.wdhscp.org.uk/media/1215/wdhscp-integration-scheme-may-2015.pdf>
2. <http://wdhscp.org.uk/media/1597/strategic-plan-2016-2019.pdf>
3. <http://wdhscp.org.uk/media/1561/wdhscp-participation-and-engagement-strategy-2016.pdf>
4. <http://www.wdhscp.org.uk/about-us/public-reporting/performance-reports/>
5. <http://www.wdhscp.org.uk/media/1850/> link not available for draft – to be added to the final Accounts
6. <http://wdhscp.org.uk/media/1987/health-and-social-care-partnership-papers-2-may-2018-items-to-follow.pdf>
7. <http://www.wdhscp.org.uk/media/2018/wd-hscp-board-financial-regulations-feb-2018.pdf>
8. <http://www.wdhscp.org.uk/media/1874/wdhscp-risk-policy-and-strategy-august-2015.pdf>
9. <http://www.wdhscp.org.uk/media/1878/document-pack-wd-hscp-board-22-november-2017.pdf>
10. <http://wdhscp.org.uk/media/1853/document-pack-hscp-audit-committee.pdf>
11. <http://wdhscp.org.uk/media/2021/document-pack-wd-hscp-audit-committee-20-june-2018.pdf>

WEST DUNBARTONSHIRE HEALTH & SOCIAL CARE PARTNERSHIP BOARD**AUDIT COMMITTEE: 20 JUNE 2018**

Subject: Update Report on Independent Sector Sense**1. Purpose**

- 1.1** To present the Audit Committee with an update of work being undertaken to support the improvement of Care Inspectorate grades at Sense Scotland Supported Living Glasgow 1 & Surrounding Area.

2. Recommendations

- 2.1** The Audit Committee is asked to note the work being undertaken to support Sense Scotland Supported Living Glasgow 1 & Surrounding Area to make improvements with meeting the assessed needs of the service user and the support and development of their staff.

3. Background

- 3.1** The Sense Scotland Supported Living Glasgow 1 & Surrounding Area provides an integrated housing support and care at home service to adults with sensory impairment and other disabilities. The service is provided to people living in their own homes.

4. Main Issues

- 4.1** At their inspection of 20 February 2018 the Care Inspectorate awarded the service the grades of 3 – Adequate for the quality themes of care & support, staffing and management & leadership. These are the same grades award to the service over the last three inspections going back to June 2016.
- 4.2** Currently Sense Scotland Supported Living Glasgow 1 & Surrounding Area supports one individual from West Dunbartonshire who resides in Glasgow and is being supported with a 24 hour package of care. As the support service is located in Glasgow they have the main responsibility for monitoring the service.
- 4.3** Representatives from West Dunbartonshire HSCP have been in contact with the service. There has been frequent contact by the service users' Social Worker. They have held regular reviews to monitor the support being delivered to the service user. These review meetings have included the service user's family and representatives of the service. There are no issues relating to our service user as the service user and family are happy with the care and support being provided by Sense Scotland.

- 4.4** A member of staff from the Quality Assurance team has also been in contact with the Manager of the service. This has been concerning the action plan drafted detailing actions to be addressed in order to improve the grades awarded and quality of service delivered to the service users.
- 4.5** The action plan focusses on activity to address issues that include low staff morale, regular supervision for staff, spot checking of performance, increased support to staff from the provider, updating care plans on a regular basis and regular review of care plans by staff.
- 5. People Implications**
- 5.1** There are no implications associated with this report.
- 6. Financial Implications**
- 6.1** There are no financial implications associated with this report.
- 7. Professional Implications**
- 7.1** There are no professional implications associated with this report.
- 8. Locality Implications**
- 8.1** There are no locality implications associated with this report.
- 9. Risk Analysis**
- 9.1** Current risk issues are being managed through the improvement action plan.
- 10. Impact Assessments**
- 10.1** None required
- 11. Consultation**
- 11.1** None required.
- 12. Strategic Assessment**
- 12.1** The West Dunbartonshire Strategic Plan 2016 – 2019 recognises the importance of providing high quality services and emphasises the importance of quality assurance amongst independent sector providers of care.

Author: Wendy Jack, Interim Head of Strategy, Planning and Health Improvement

Date: 07 May 2018

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Appendices: None

Background Papers: None

Wards Affected: All