

# Supplementary Agenda

## West Dunbartonshire Health & Social Care Partnership Board Audit Committee

**Date:** Wednesday, 19 June 2019

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**Time:** 14:00

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**Venue:** Ceremony Room, Clydebank Town Hall, Dumbarton Road, Clydebank

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**Contact:** Nuala Borthwick, Committee Officer  
Tel: 01389 737220 [nuala.borthwick@west-dunbarton.gov.uk](mailto:nuala.borthwick@west-dunbarton.gov.uk)

Dear Member

### ITEMS TO FOLLOW

I refer to the agenda for the above Meeting of the West Dunbartonshire Health & Social Care Partnership Board Audit Committee which was issued on 6 June 2019 and now enclose copies 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:-/

Note referred to:-

**5 INTERNAL AUDIT ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2019 55 – 69**

Submit report by the Chief Internal Auditor providing the Internal Audit Annual Report for the year ended 31 March 2019 which contains an independent opinion on the adequacy and effectiveness of West Dunbartonshire's Health and Social Care Partnership Board's internal control environment that can be used to inform its Governance Statement.

**7 UNAUDITED ANNUAL REPORT AND ACCOUNTS 2018/19 71 - 112**

Submit report by the Chief Financial Officer seeking approval of the 2018/19 unaudited annual report and accounts covering the period 1 April 2018 to 31 March 2019, subject to audit approval.

**8 AUDIT PLAN PROGRESS REPORT 113 – 145**

Submit report by the Chief Internal Auditor:-

- (a) providing an update on the planned programme of audit work for the year 2018/19 in terms of internal audit work undertaken at West Dunbartonshire Council and NHS Greater Glasgow and Clyde that may have an impact upon the West Dunbartonshire Health & Social Care Partnership Board;
- (b) providing an update on the progress on the agreed actions from the review of the Partnership Board's Code of Good Governance; and
- (c) providing an update on the progress on the agreed actions arising from the Annual Report to the Integrated Joint Board and the Controller of Audit for financial years ended 31 March 2017 and 31 March 2018 from the External Auditors.

**Distribution:-**

**Voting Members**

Marie McNair (Chair)  
Allan Macleod (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: 11 June 2019

## WEST DUNBARTONSHIRE HEALTH & SOCIAL CARE PARTNERSHIP BOARD

Audit Committee: 19 JUNE 2019

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**Subject: Internal Audit Annual Report for the year ended 31 March 2019**

### 1. Purpose

- 1.1 To submit the Chief Internal Auditor's Annual Report for 2018/19 based on the internal audit work carried out for the year ended 31 March 2019, which contains an independent opinion on the adequacy and effectiveness of West Dunbartonshire's Health and Social Care Partnership Board's internal control environment that can be used to inform its Governance Statement.

### 2. Recommendations

- 2.1 It is recommended that the Audit Committee note the contents of this report.

### 3. Background

- 3.1 The Public Sector Internal Audit Standards (PSIAS) became effective on 1<sup>st</sup> April 2013 and require that:

*"The chief audit executive [for WDC: Audit and Risk Manager] must deliver an annual internal audit opinion and report that can be used by the organisation to inform its governance statement*

*The annual internal audit opinion must conclude on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control.*

*The annual report must incorporate:*

- *The opinion;*
- *A summary of the work that supports the opinion; and*
- *A statement on conformance with the Public Sector Internal Audit Standards and the results of the quality assurance and improvement programme"*

- 3.2 For the purposes of providing an annual opinion, reliance will be placed on the work of NHS Greater Glasgow and Clyde internal auditors and West Dunbartonshire Council internal auditors and any other work carried out by other external assessors, for example Audit Scotland and Care Inspectorate.
- 3.3 In order to ensure proper coverage and avoid duplication of effort, the internal auditors of NHSGGC and all local authorities operating within this Health Board area meet periodically.

#### **4. Main Issues**

- 4.1** The Internal Audit Annual Report for 2018/19 included at Appendix 1 concludes with the Chief Internal Auditor's independent and objective opinion 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 2019 that the Health & Social Care Partnership Board requires to rely upon within both the Council and the Health Board. However, in relation to procurement, an Internal Audit report provided to the Council's Audit Committee in December 2018 highlighted that a number of procurement processes had been completed without following the Council's Financial Regulations. This was confirmed by an Audit Scotland review. Improvement plans from both audits have been agreed by management which aim to increase compliance and management processes.

This opinion has informed the Health & Social Care Partnership Board's Governance Statement.

- 4.2** The basis of the audit opinion includes taking reliance from:
- The Assurance Statement for the year ended 31 March 2019 from the Audit Manager (Chief Internal Auditor) of West Dunbartonshire Council (as attached at Appendix 2); and
  - Information provided by Scott Moncrieff, the Internal Auditors of NHS Greater Glasgow and Clyde, on audits that they have carried out during 2018/19 (as attached at Appendix 3).

#### **5. People Implications**

- 5.1** There are no personnel issues with this report.

#### **6. Financial Implications**

- 6.1** There are no financial implications with this report.

#### **7. Professional Implications**

- 7.1** None.

#### **8. Locality Implications**

- 8.1** None.

#### **9. Risk Analysis**

- 9.1** There is a risk that failure to deliver the Internal Audit Plan would result in an inability to provide assurances to those charged with governance over which the Health & Social Care Partnership Board is required to rely upon within both the Council's and Health Board's system of internal financial control.

## **10. Impact Assessments**

**10.1** None.

## **11. Consultation**

**11.1** This report has been agreed with the Health Board's Director of Finance and Council's Section 95 Officer.

## **12. Strategic Assessment**

**12.1** The establishment of a robust audit plan will assist in assessing whether the Partnership Board and Officers have established proper governance and control arrangements which contribute to the achievement of the strategic priorities of the HSCP Strategic Plan.

**Author:** Colin McDougall – Chief Internal Auditor for West Dunbartonshire Health and Social Care Partnership Board.

**Date:** 10 June 2019

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**Person to Contact:** Colin McDougall, Audit and Risk Manager  
West Dunbartonshire Council  
Telephone 01389 737436  
E-mail – colin.mcdougall@west-dunbarton.gov.uk

**Appendices:**

- 1 - Internal Annual Audit Report for the year ended 31 March 2019 from the Chief Internal Auditor
- 2 - Assurance Statement for the year ended 31 March 2019 from the Audit Manager of West Dunbartonshire Council
- 3 – Information provided by Scott Moncrieff, the Internal Auditors of NHS Greater Glasgow and Clyde on audits that they have carried out during 2018/19.

**Background Papers:** None

**Wards Affected:** All Wards



# West Dunbartonshire Health & Social Care Partnership

## APPENDIX 1

### Internal Audit Annual Report for the year ended 31 March 2019 from the Chief Internal Auditor

**To the Members of West Dunbartonshire Health & Social Care Partnership Board, the Chief Officer and the Section 95 Officer (Chief Financial Officer)**

As the appointed Chief Internal Auditor for West Dunbartonshire Health & Social Care Partnership Board, I am pleased to present my annual statement on the adequacy and effectiveness of the internal financial control system of the Partnership Board for the year ended 31 March 2019.

#### **Respective responsibilities of management and internal auditors in relation to internal control**

It is the responsibility of senior management of the Health and Social Care Partnership to establish an appropriate and sound system of internal financial control and to monitor the continuing effectiveness of that system. It is the responsibility of the Chief Internal Auditor to provide an annual overall assessment of the robustness of the internal financial control system.

#### **The Health & Social Care Partnership Board's framework of governance, risk management and internal controls**

The Partnership Board has a responsibility to ensure that its business is conducted in accordance with legislation and proper standards.

The governance framework comprises the systems and processes, culture and values by which the Partnership Board IJB is directed and controlled and how it accounts to communities. It enables the Partnership Board to monitor the achievement of its strategic priorities and to consider whether those objectives have led to the delivery of appropriate services and value for money.

The system of internal control is a significant element of the governance framework. Any system of control can only ever provide reasonable and not absolute assurance that control weaknesses or irregularities do not exist or that there is no risk of material errors, losses, fraud, or breaches of laws or regulations. Accordingly, the Partnership Board is continually seeking to improve the effectiveness of its systems of internal control in order to identify and prioritise the risks that would prevent the achievement of the Health & Social Care Partnership Board's strategic objectives as set out within its Strategic Plan.

## **The work of internal audit**

Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

The operational delivery of services with WDC and NHSGGC on behalf of the WD HSCP will be covered by their respective internal audit arrangements.

Both the Council's Internal Audit Section and the Health Board's internal audit function operate in accordance with the *Public Sector Internal Audit Standards* (PSIAS) which have been agreed to be adopted from 1<sup>st</sup> April 2013 by the relevant public sector Internal Audit Standard setters. PSIAS applies the Institute of Internal Auditors International Standards to the UK Public Sector.

## **Planned work for 2019/20**

Following a risk based assessment of the activities of IJB and consultation with the Chief Officer and the Chief Financial Officer the Internal Audit Plan for 2019/20 provides for 20 days of Internal Audit resource drawn from the Internal Audit Service of West Dunbartonshire Council. This will be used to service this audit committee and carry out a review the Local Code of Good Governance and a review of the Audit Committee itself.

The Internal Audit Plan for 2019/20 was approved by the Health & Social Care Partnership Board on 13<sup>th</sup> March 2019.

## **Basis of Opinion**

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

- The audit work undertaken by Internal Audit within the Council and the Health Board and also for the Partnership Board during the year to 31 March 2019;
- The Assurance Statement for the year ended 31 March 2019 from the Chief Internal Auditor of West Dunbartonshire Council (as attached at Appendix 2);
- Information provided by Scott Moncrieff, the Internal Auditors of NHS Greater Glasgow and Clyde, on audits that they have carried out during 2018/19 (as attached at Appendix 3).
- The review of the Local Code of Good Governance and the identified improvement actions;
- The assurance statement signed by the Chief Officer on the operation of the internal financial controls for the services for which she was responsible during the year to 31 March 2019;
- Reports issued by the External Auditors of the Council and the Health Board and other review agencies; and



- My knowledge of the Partnership Board's governance, risk management and performance monitoring arrangements;
- An Internal Audit report provided to the Council's Audit Committee in December 2018 highlighted that a number of procurement processes had been completed without following the Council's Financial Regulations. This was confirmed by an Audit Scotland review. Improvement plans from both audits have been agreed by management which aim to increase compliance and management processes.

## **Opinion**

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 2019 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.

**Signature:** *Colin J. McDougall*

**Title:** Chief Internal Auditor for West Dunbartonshire Health & Social Care Partnership Board

**Date:** 10 June 2019



**Assurance Statement for the year ended 31 March 2019  
from the Audit Manager**

**To the Members of West Dunbartonshire Council, the Chief Executive  
and the Section 95 Officer (Strategic Lead - Resources)**

As Audit Manager of West Dunbartonshire Council, I am pleased to present my annual statement on the adequacy and effectiveness of the internal financial control system of the Group Accounts prepared by the Council for the year ended 31 March 2019.

**Respective responsibilities of management and internal auditors in  
relation to internal control**

It is the responsibility of the Council's senior management to establish an appropriate and sound system of internal financial control and to monitor the continuing effectiveness of that system. It is the responsibility of the Audit Manager to provide an annual overall assessment of the robustness of the internal financial control system.

**The Council's framework of governance, risk management and internal  
control**

The Council has a responsibility to ensure that its business is conducted in accordance with legislation and proper standards.

The governance framework comprises the systems and processes, culture and values by which the Council is directed and controlled and how it accounts to communities. It enables the Council to monitor the achievement of its strategic priorities and to consider whether those objectives have led to the delivery of appropriate services and value for money.

The main objectives of the Council's internal control systems are to ensure:

- Adherence to management policies and directives in order to achieve the organisation's objectives;
- Economic, efficient, effective and safe use of resources and assets;
- The relevance, reliability and integrity of information, so ensuring as far as possible the completeness and accuracy of records; and
- Compliance with statutory requirements.

The system of internal control is a significant element of the governance framework. Any system of control can only ever provide reasonable and not absolute assurance that control weaknesses or irregularities do not exist or that there is no risk of material errors, losses, fraud, or breaches of laws or regulations. Accordingly, the Council is continually seeking to improve the effectiveness of its systems of internal control in order to identify and prioritise the risks that would prevent the achievement of the Council's strategic objectives

## **The work of internal audit**

Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

The Council's Internal Audit Section operates in accordance with the *Public Sector Internal Audit Standards* (PSIAS) which have been agreed to be adopted from 1<sup>st</sup> April 2013 (revised in 2017) by the relevant public sector Internal Audit Standard setters. PSIAS applies the Institute of Internal Auditors International Standards to the UK Public Sector.

PSIAS requires that a Quality Assurance and Improvement Programme (QAIP) is developed in order to provide assurance that internal audit activity:

- Is conducted in accordance with an Internal Audit Charter;
- Operates in an efficient and effective manner; and
- Is perceived to be adding value and improving operations.

An internal self-assessment of internal audit practices has been carried out by the Audit Manager every year since PSIAS became effective on 1<sup>st</sup> April 2013, with improvements identified and implemented as appropriate. PSIAS also requires, as outlined in Standard 1300 "QAIP", that:

*"External assessments must be conducted at least once every five years by a qualified, independent assessor or assessment team from outside the organisation. External assessments can be in the form of a full external assessment or a self-assessment with independent external validation".*

An initial external review was carried out during 2015/16 and the next external review is due to be carried out within one to two years.

The Internal Audit Section undertakes an annual programme of work based on a risk assessment process which is revised on an ongoing basis to reflect evolving risks and changes within the Council. All Internal Audit reports identifying system weaknesses and / or non-compliance with expected controls are brought to the attention of management and the Audit Committee together with appropriate recommendations and agreed action plans. It is management's responsibility to ensure that proper consideration is given to Internal Audit reports and that appropriate action is taken on audit recommendations. The internal auditor is required to ensure that appropriate arrangements are made to determine whether action has been taken on internal audit recommendations or that management has understood and assumed the risk of not taking action. A programme of follow-up on assignment findings and recommendations provides assurance on the complete and timeous implementation of both internal Audit and External Audit recommendations.

Internal Audit and Corporate Fraud staff regularly attended the following external user group meetings:

- SLACIAG, the purpose of which is to develop and improve the practice of internal audit activity with Scottish local authorities. It achieves this by meeting to discuss issues of common concern, commissioning work to develop ideas, sharing good practice, working in partnership with other professional / governing bodies and promoting SLACIAG as the representative body for internal audit in local authorities. The Council's Audit Manager attended all four of the quarterly meetings of SLACIAG during 2018/19 and also further meetings in his role as a member of the SLACIAG management committee;
- SLACIAG Computer Audit sub group: either an Auditor or the ICT Security Officer attends this forum which has the aim of ensuring that audit teams are better equipped to perform technical Information Systems auditing; and
- The Scottish Local Authority Investigators Group (SLAIG): This group consists of fraud practitioners from local authorities in Scotland, with the objectives of:
  - Raising the profile of the counter fraud agenda;
  - Sharing good practice;
  - Raising awareness of the risk of fraud; and
  - Ensuring that fraud is investigated in a professional manner.

### **Basis of Opinion**

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

- The audit work undertaken by Internal Audit during the year to 31 March 2019, including risk based systems audits, ICT audits, investigations, follow-up reviews and one-off exercises;
- The assessment of risk completed during reviews of the annual audit plan;
- The assurance statements signed by the Strategic Directors and Strategic Leads on the operation of the internal financial controls for the services for which they were responsible during the year to 31 March 2019;
- The assurance statement signed by the Chief Executive for the overall Council for the year ended 31 March 2019;
- Reports issued by the Council's External Auditors, Audit Scotland, and other review agencies;
- My knowledge of the Council's governance, risk management and performance monitoring arrangements; and
- An Internal Audit report provided to the Audit Committee in December 2018 highlighted that a number of procurement processes had been completed without following the Council's Financial Regulations. This was confirmed by an Audit Scotland review. Improvement plans from

both audits have been agreed by management which aim to increase compliance and management processes.

**Limitation to Resources or Scope of Internal Audit Work**

There were sufficient resources available to deliver the programme of audit assignments contained within the 2018/19 Audit Plan and no significant threats emerged to the independence of the internal audit activity such as inappropriate scope or resource limitations.

**Opinion**

It is my opinion, based on the above, that reasonable assurance can be placed upon the adequacy and effectiveness of West Dunbartonshire Council's systems of governance, risk management and internal control in the year to 31 March 2019.

**Signature: Colin J. McDougall**

**Title: Audit Manager**

**Date: 29 May 2019**

## NHS Greater Glasgow and Clyde

### Internal Audit Activity Report for Integration Joint Boards – June 2019

#### 1. Background

Integration Joint Boards direct both NHS Greater Glasgow and Clyde and the local authority to deliver services that enable the Integration Joint Board to deliver on its strategic plan.

Both NHS Greater Glasgow and Clyde and the local authority have internal audit functions that conduct audits across each organisation and report the findings of these to the respective audit committees.

Members of the Integration Joint Board have an interest in the outcomes of audits at both NHS Greater Glasgow and Clyde and the local authority that have an impact upon the Integration Joint Board's ability to deliver the strategic plan.

This report provides a summary for the Integration Joint Board of the internal audit activity within NHSGGC which has an impact upon the delivery of the strategic plan.

#### 2. Summary of internal audit reviews

2.1 The table below sets out the reports that have been presented to the NHSGGC Audit and Risk Committee during the 2018-19 audit year.

Three reports are rated "Amber". Full definitions for the colour coding and the grading structure are set out below.

Scott-Moncrieff will present their annual report at the Audit and Risk Committee meeting on Tuesday, 18 June 2019.

Review	Audit rating	No of issues per grading			
		Red	Amber	Yellow	Green
A.1 Strategic Planning Alignment	N/A (consultancy report)	-	-	-	-
B.1 Financial Systems Health Check	Minor improvement required	-	-	9	1
B.2 Financial Planning – Financial Improvement Programme	Minor improvement required	-	-	3	2
B.3 Payroll	Substantial Improvement Required	-	2	3	2
D.1 Sickness Absence	Substantial Improvement Required	-	5	1	1
D.5 Other Leave	Minor improvement required	-	-	3	-
E.2 Digital Strategy	Minor improvement required	-	-	2	-
F.1 Governance statement readiness	Effective	-	-	-	1
F.3 Property transaction monitoring	Minor improvement required	-	-	2	-
A.5 Capacity planning	Minor improvement required	-	-	2	1
A.7 Performance reporting	Substantial Improvement Required	-	2	2	-
C.1 HSMR	Minor improvement required	-	-	3	-
D.6 Nurse rostering	Minor improvement required	-	1	4	-
E.1 GDPR compliance	Minor improvement required	-	1	1	1
E.4 Information sharing	Minor improvement required	-	-	3	1
F.2 Waiting times	Effective	-	-	-	1

The amber rated reports are as follows:

## **2.2 Payroll**

The review has identified a number of weaknesses within NHS Greater Glasgow and Clyde's payroll procedures. These cover a number of different areas including the processing of amendments, staff bank payments, medical on-call supplements and Waiting List Initiative sessions. The capabilities of the new HR system, eESS, will help the Board address many of the recommendations raised in this report and should also improve the efficiency of the payroll processes.

The findings included in the management action plan have been agreed with the audit contacts and sponsor. A timeline for the completion of actions has also been agreed, which will be followed-up as part of their quarterly follow-up process.

## **2.3 Performance Reporting**

The performance management arrangements in place within NHSGGC reflect good practice in many areas, however there is significant room for improvement in some respects. NHSGGC has an 'Interim Annual Plan' in place for 2018/19 that sets out the health board's objectives for the year. This plan was put in place as an interim measure following the Scottish Government's suspension of the Annual Delivery Plan process and in recognition of the impact that Moving Forward Together will have in shaping the strategic agenda. The plan is supplemented by a performance management plan that contains supporting actions and targets for measuring delivery of those objectives. The objectives and targets identified provide adequate coverage over the main activities of the health board and comprise an appropriate mix of qualitative and quantitative indicators. This enables NHSGGC to monitor their performance throughout the current year. We have however, identified significant enhancements that can be made to the performance management process to improve how performance against objectives is measured and reported. Scott-Moncrieff recommend that NHSGGC produce a comprehensive performance framework to ensure organisation-wide performance is robustly measured and reported on. This includes ensuring all targets are SMART and contain adequate detail around how they will be delivered. This framework should support the production of performance reports that provide substantial assurance to the NHSGGC Board and minimise the current reporting duplication across the organisation.

The findings included in the management action plan have been agreed with the audit contacts and sponsor. A timeline for the completion of actions has also been agreed, which will be followed-up as part of their quarterly follow-up process.

## **2.4 Sickness Absence**

NHSGGC has created a robust framework for managing sickness absence. Line managers have access to a range of guidance, templates and absence data to assist them to manage individual absences and address underlying causes affecting their teams.

Scott-Moncrieff identified through their sample testing, however, that managers and supervisors are not consistently using this information and adhering to documented processes to manage absences at both individual and team levels. Scott-Moncrieff also identified that appropriate checks are not occurring to ensure that absences are managed in line with processes and that initiatives to improve attendance are implemented in full.

Absences may not be managed effectively in every instance which could prevent NHSGGC from lowering absence rates across the Board. Scott-Moncrieff have identified actions relating to improving compliance with procedures, enhanced reporting/checks and improving the quality of data on sickness absence that would help the Board to improve arrangements in the area.

The findings included in the management action plan have been agreed with the audit contacts and sponsor. A timeline for the completion of actions has also been agreed, which will be followed-up as part of their quarterly follow-up process.



### 3. Definitions

The ratings below describe Scott-Moncrieff's overall opinion on the control frameworks reviewed during each audit:

<b>Immediate, major improvement required</b>
<p>Controls evaluated are not adequate, appropriate, or effective to provide reasonable assurance that risks are being managed and objectives should be met.</p> <p>Critical: fundamental absence or failure of key controls</p>
<b>Substantial improvement required</b>
<p>Numerous specific control weaknesses were noted. Controls evaluated are unlikely to provide reasonable assurance that risks are being managed and objectives should be met.</p> <p>High: control objective not achieved - controls are inadequate or ineffective</p>
<b>Minor improvement required</b>
<p>A few specific control weaknesses were noted; generally however, controls evaluated are adequate, appropriate and effective to provide reasonable assurance that risks are being managed and objectives should be met.</p> <p>Moderate: Control objective achieved - no major weaknesses but scope for improvement</p>
<b>Effective</b>
<p>Controls evaluated are adequate, appropriate, and effective to provide reasonable assurance that risks are being managed and objectives should be met.</p> <p>Low: Control objective achieved - controls are adequate, effective and efficient</p>

Recommendations are graded as follows:

Ranking	Definition
<b>RED</b>	Very high risk exposure - major concerns requiring immediate senior management attention.
<b>AMBER</b>	High risk exposure - absence / failure of key controls.
<b>YELLOW</b>	Moderate risk exposure - controls not working effectively and efficiently.
<b>GREEN</b>	Limited risk exposure - controls are working effectively, but could be strengthened.



**WEST DUNBARTONSHIRE HEALTH & SOCIAL CARE PARTNERSHIP****Audit Committee: 19 June 2019**

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**Subject: Unaudited Annual Report and Accounts 2018/19****1. Purpose**

- 1.1 To provide for approval the unaudited annual report and accounts for the HSCP Board covering the period 1 April 2018 to 31 March 2019.

**2. Recommendations**

- 2.1 Members are asked to:

- (a) Approve the 2018/19 unaudited annual report and accounts; subject to audit review; and
- (b) Note that the Audit Committee will be recommended to formally approve the audited accounts on 25 September 2019, 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 2018/19 annual accounts.
- 3.3 The key legislative stages were laid out in reports to the Audit Committee on 13 March 2019 and to the HSCP Board on 8 May 2019.

**4. Main Issues**

- 4.1 The draft accounts have now been prepared and will be 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 2018/19. At its meeting of 8 May the board noted the interim Period 12 position which detailed the projected position to the 31 March 2019 of a £0.413m (0.27%) underspend. This figure was reflective of planned additions to reserves.

**4.3** The final year end position for 2018/19 as reflected in the draft annual report and accounts (attached at Appendix 1) has only marginally changed from the May report to £0.450m underspend, as detailed in the table below.

**Extract from 2018/19 Unaudited Annual Report and Accounts**

<b>Consolidated Health &amp; Social Care Services</b>	<b>Budget £000</b>	<b>Spend £000</b>	<b>Variance (Over)/ Under £000</b>	<b>Variance (Over)/ Under %</b>
Older People Services	51,581	52,610	(1,029)	(2%)
Physical Disability	3,306	3,270	36	1%
Children and Families	21,354	23,618	(2,264)	(11%)
Mental Health Services	12,203	11,719	484	4%
Addictions	3,506	3,258	248	7%
Learning Disabilities	17,386	17,279	108	1%
Family Health Services (FHS)	26,824	26,824	0	0%
GP Prescribing	19,306	19,383	(76)	(0%)
Hosted Services	7,485	7,210	275	4%
Criminal Justice	2,076	2,120	(44)	(2%)
Resource Transfer	15,088	15,088	0	0%
Other Services	7,901	5,784	2,117	27%
<b>Gross Expenditure</b>	<b>188,017</b>	<b>188,162</b>	<b>(146)</b>	<b>(0%)</b>
Income	(32,638)	(33,234)	596	(2%)
<b>Total Net Expenditure</b>	<b>155,379</b>	<b>154,929</b>	<b>450</b>	<b>(0%)</b>
Set aside for large hospital services	18,210	18,210	0	
Assisted Garden Maintenance and Aids and Adaptations	577	577	0	
<b>Total Integrated Joint Board</b>	<b>174,166</b>	<b>173,716</b>	<b>450</b>	<b>(0%)</b>

**4.5** The main reason for the small improvement of £0.037m is due to the planned accruals for energy costs being less than anticipated.

**4.6** The draft accounts under “Analysis of the Financial Statements and Financial Performance of the HSCP Board” 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’s community placements with foster carers and kinship carers and older people services of care at home and care homes, reflective of our demographic and social needs. Offset by lower than anticipated spend in other adult services in learning disabilities and mental health as well as the application of social care funding earmarked for service redesign and transformation. For health care the main pressure came from delay in school nursing redesign, complex care package and GP prescribing offset by additional income from Highland Health Board for their use of West Dunbartonshire mental health in-patient beds.

**4.7** The draft accounts under Note 11 "Useable Reserve: General Fund" details the opening reserves balance, transfers in and out and the final balance for both unearmarked and earmarked reserves. The transfers reflect a reclassification of £0.670m of earmarked reserves in the areas of Social Care Fund – Living Wage, Service Redesign and Transformation and Integrated Care Fund to unearmarked reserves as agreed by the HSCP Board at its November 2018 meeting. This transfer brings the balance of unearmarked to £2.457m, reflecting the Reserves Policy target of 2% (£2.6m) to be held to "create a contingency to cushion the impact of unexpected events or emergencies". An extract is provided below:

Balance as at 31 March 2018 £000	West Dunbartonshire HSCP Earmarked Reserve	Transfers Out 2018/19 £000	Transfers In 2018/19 £000	Balance as at 31 March 2019 £000
(4,436)	Total Earmarked Reserves	1,173	(1,460)	(4,723)
(1,706)	Total Unearmarked Reserves	0	(751)	(2,457)
(6,142)	Total General Fund Reserves	1,173	(2,211)	(7,180)
	Overall Movement Reserves			(1,038)

**4.8** The main reason for the increase in earmarked reserves, shown under "Transfers In" is due to new funding received from the Scottish Government in 2018/19 not yet fully spent, i.e. Primary Care Improvement (£0.482m), Mental Health Action 15 (£0.123m) and Alcohol and Drug Partnership Funds (0.290m). This addition to reserves will be replicated across all Scottish HSCPs as the availability of specialist staff to take forward the objectives of each initiative is limited. The other substantial addition is the creation of a Prescribing reserve of £0.369m as approved as part of the financial performance report presented to the May Board.

**4.9** 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.

**4.10** 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.

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

12.3 This report links to the strategic financial governance arrangements of both parent organisations.

**Julie Slavin – Chief Financial Officer**

**Date: 11 June 2019**

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<b>Person to Contact:</b>	Julie Slavin – Chief Financial Officer, Church Street, Dumbarton e-mail : <a href="mailto:julie.slavin@ggc.scot.nhs.uk">julie.slavin@ggc.scot.nhs.uk</a>
<b>Appendices:</b>	Appendix 1: Draft Unaudited Annual Accounts 2018/19
<b>Background Papers:</b>	8 May 2019 HSCP Board: 2018/19 Financial Performance Report Audit Committee Terms of Reference
<b>Wards Affected:</b>	None

**West Dunbartonshire**  
**Health & Social Care Partnership**

# **West Dunbartonshire Integration Joint Board**

*Commonly known as*

**West Dunbartonshire**  
**Health and Social Care Partnership**

## **Annual Accounts 2018/19**

# **DRAFT**

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## **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<sup>st</sup> March 2019.

The Management Commentary provides an overview of the key messages in relation to the HSCP Board's financial planning and performance for the 2018/19 financial year and how this has supported the delivery of its strategic priorities as laid out in its Strategic Plan. 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 HSCP Board's Role and Remit**

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<sup>st</sup> 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. This way of working is referred to as "Health and Social Care Integration". The full scheme can be viewed [here](#) (see Appendix 1, 1).

The 2014 Act requires that Integration Schemes are reviewed within five years of establishment; therefore the current scheme will be revised before the end of July 2020 in partnership with WDC, NHSGGC and our Glasgow group of Health and Social Care Partnerships, to ensure consistency.

### **Our Partnership Vision Statement is:**

**Improving lives with the people of West Dunbartonshire**

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

West Dunbartonshire lies north of the River Clyde encompassing around 98 square miles of urban and rural communities across the two localities of Clydebank and Dumbarton/Alexandria. The area has a rich past, shaped by its world famous shipyards along the Clyde and has significant sights of natural beauty and heritage from Loch Lomond to the iconic Titan Crane as well as good transport links to Glasgow. However the area has challenges in addressing deprivation, ill health and inequality, within the local population across the age categories and is frequently recorded as being below the Scottish average in many key health and social care indicators e.g. income deprivation, employment and life expectancy.

Successful and strong integration of health and social care services will address the challenges faced by the people of West Dunbartonshire by ensuring that people have access to the services and support they need, so that their care feels seamless to them, and they experience good outcomes and high standards of support.

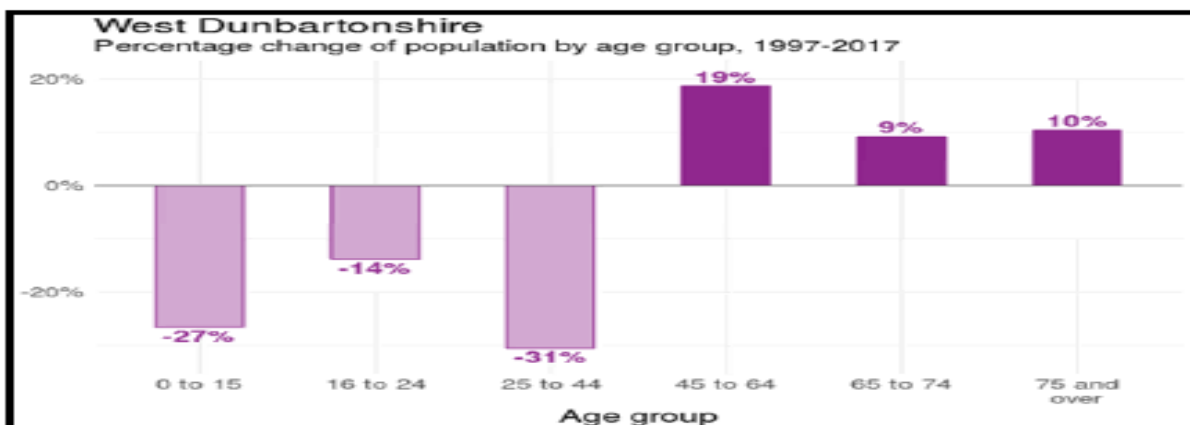
The Joint Bodies Act places a duty on IJBs to create a “strategic plan” for the integrated functions and budgets that it controls. At its March 2019 meeting, the WD HSCP Board approved its third Strategic Plan, covering the three year period 2019 – 2022 and can be viewed [here](#) (see Appendix 1, 2.). The Plan, developed by the Strategic Planning Group, formed in early 2018, describes how we will use our resources to continue to integrate services in pursuit of national and local outcomes.

The membership of the Strategic Planning Group comprises of:

- HSCP Board voting members (the Vice Chair appointed as Chair of the group);
- The Chief Officer and the Senior Management Team;
- Strategy, Health Improvement and Information Teams;
- Officers from WDC and NMSGC, including Education, Housing & Clinicians;
- Staff side representation from Unison and Unite;
- Other stakeholders including Police Scotland, Local Engagement Network, Carers of West Dunbartonshire, Scottish Care and the Care Inspectorate Link Inspector.

A full profile of West Dunbartonshire is set out in the Strategic Plan together with the compelling evidence of the “Case for Change”. The demographic profile has been well documented, and while life expectancy may be below the Scottish average, the continuing increase in older people e.g. % of households of 75+ years will increase from 12% to 20% in the next 20 years, requires to be supported by fit for purpose health and social care services.

## West Dunbartonshire Actual % change of population by age group



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The Strategic Planning Group took an innovative approach by working in partnership with the national Burden of Disease Team, by evidencing the case for change through a Strategic Needs Assessment that took a population view by using an epidemiological approach. This internationally recognised approach is used to quantify the difference between the ideal of living to old age in good health and the situations where a healthy life is shortened by illness, injury, disability and early death. The key findings and characteristics of the study and demographic profile are:

- The population of West Dunbartonshire accounts for 1.7% of the total population of Scotland. The population mid-year estimate for 2017 was 89,610 a decrease of 0.3% from the 2016 estimate of 89,860 and the trend over the last 10 years has seen a decrease from 91,370 a change of - 1.9%;
- The population in Scotland is projected to increase by 7% by 2037. In contrast, West Dunbartonshire is projected to decrease by 7.1%. The under 16 population will reduce by 12%; working age by 15% yet the pensionable age will increase by 24% by 2037;
- West Dunbartonshire ranks second bottom for mortality rates with the main cause of death being cancer followed by circulatory disease;
- Depression is higher than the Scottish average based on a snapshot of GP registers at 82.9 per 1,000 compared to 73 per 1,000. Also across the two localities the Clydebank rate is higher at 86.2 per 1,000; and
- Both alcohol and drug related hospital stays are higher than the Scottish average. While alcohol related death rates are slowly decreasing alcohol liver disease is increasing, especially in the 45–59 years age group.

The presentation of these findings was not confined to the members of the Strategic Planning Group; they were shared across our workforce, our internal and external stakeholder groups, our funding partners and our residents at a number of consultation sessions. This included three staff engagement events (approx. 200 staff attended), 30 stakeholder consultation events and an online consultation with 51 responses.

While staff and service users had a very clear understanding of the challenges within their own areas, the overall presentation of the statistics was shocking to many of the stakeholders. However this served as a catalyst to positive engagement and a refocus of priorities and performance. All feedback was considered in shaping the new strategic plan outcomes with cognisance of current and future availability of financial and workforce resources.

The Strategic Outcomes are embedded in our commitment to:

- Children and young people reflected in Getting It Right for Every Child;
- Continual transformation in the delivery of services for adults and older people as reflected within our approach to integrated care;
- The safety and protection of the most vulnerable people within our care and within our wider communities;
- Support people to exercise choice and control in the achievement of their personal outcomes; and
- Manage resources effectively, making best use of our integrated capacity.

We will achieve this by delivering on the key strategic priorities of:

- Early Intervention
- Access
- Resilience
- Assets
- Inequalities

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Working in partnership with our; citizens, our workforce, the council, the health board, third party groups, external providers, community planning partners and the five other health and social care partnerships within the Greater Glasgow and Clyde area is a key element of our business model and has been recognised as a strength. 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 HSCP has a strong partnership with local GPs and the wider community, further strengthened by the approval in August 2018 of Primary Care Improvement Plan, in line with the new GP Contract and the Memorandum of Understanding. The Scottish Government has committed to invest £250m over the course of the parliament, with West Dunbartonshire receiving £0.837m in 2018/19 to commence delivering on vaccination transformation and the expansion of multi-disciplinary teams including advanced professional roles and community link workers. This funding will increase over the next planned five year period.

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, including a review of frequent attenders and appropriate support put in place. 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.

Strong participation and engagement is also supported by effective and safe sharing of information across service areas and partners. There is a wealth of data, but unless this is made available and presented in a meaningful way, opportunities may be lost. The availability of information technology is a key objective in supporting our staff to allow them to work across traditional service boundaries to support service redesign and transformation. This includes the production on performance information which can be easily interpreted and benchmarked.

These themes of participation, closer integrated working, effective strategic planning and better information sharing were the subject of a report by Audit Scotland published in November 2018 being the [second of three national performance audits of health and social care integration](#). The audit examined the impact public bodies are having as they integrate health and social care services. It made a number of recommendations that were directly relevant to West Dunbartonshire HSCP based on their conclusions of the six key features central to the success of integration:

- commitment to collaborative leadership and building relationships;
- effective strategic planning for improvement
- integrated finances and financial planning;
- agreed governance and accountability arrangements;
- ability and willingness to share information and
- meaningful and sustained engagement.

This report formed the basis of the Ministerial Strategic Group (MSG) for Health and Community Care February 2019 report on [a national review of progress of integration](#). The Ministerial Strategic Group made 25 'proposals' (that is, recommendations), of which 22 were for HSCPs across the country.

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These 25 proposals were laid out in a self-evaluation template to be completed by each HSCP and their partners and returned to the Scottish Government in May 2019. Each HSCP was required to evaluate their current position across the proposals ranging from “not established” to “exemplary”. The WD HSCP Board and partners did not highlight any areas as “not established”, however where the judgement was “partly established” a list of improvement actions were identified. These will be drawn out into an action plan taking cognisance of the time scales for improvement laid down by the Ministerial Strategic Group.

## Performance Highlights 2018/19

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 fourth Annual Performance Report 2018/19 (i.e. for the same period as these annual accounts) will be published in draft by 31<sup>st</sup> July 2019 (to comply with legislative requirements) and will be presented to its August 2019 meeting for scrutiny. The report can be viewed [\(need to add link for the final accounts, when available\)](#) (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 positive performance over the past year are:

Performance Indicator	2018/19 Value	2018/19 Target	2018/19 Status Qtr3 at present
<b>Adults and Older People</b>			
Number of acute bed days lost to delayed discharges (including AWI)	3,512	NHSGGC 4,394 MSG 3,440	NHSGGC  MSG 
Number of acute bed days lost to delayed discharges for Adults with Incapacity	766	NHSGGC 1,682	
Number of patients in anticipatory care programmes	1,306	1,400	
Percentage of carers who feel supported to continue in their caring role	98%	90%	
Percentage of people aged 65 years and over assessed with complex needs living at home or in a homely setting	98.4%	98%	
Percentage of people supported to die in a homely setting	67.9%	65% cancer deaths 70% non-cancer deaths	
Percentage of Adult Support and Protection clients who have current risk assessments and care plan	100%	100%	

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Performance Indicator	2018/19 Value	2018/19 Target	2018/19 Status Qtr3 at present
<b>Children and Young People</b>			
Percentage of 16 or 17 year olds in positive destinations (further/higher education, training, employment) at point of leaving care	60%	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	91.5%	90%	
<b>Mental Health Services</b>			
Child & Adolescent Mental Health Service (CAMHS) 18 weeks referral to treatment	78.5%	90%	
Percentage of patients who started Psychological Therapies treatments within 18 weeks of referral	68.5%	90%	
<b>Hosted Services</b>			
MSK Physiotherapy Assessments within 4 weeks of referral	38%	90%	
<b>GP Prescribing</b>			
Prescribing cost per weighted patient (£Annualised)	£167.87	NHSGGC Average at Year End	£5.20 less than 2017/18

Ongoing improvement is sought across all services within HSCP and the performance management arrangements in place are designed to facilitate this. Specific areas we are targeting to improve going forward include the following:

- Reduce the number of inappropriate A&E attendances and emergency hospital admissions;
- Increase the % of Community Payback Orders attending an induction session within 5 working days of sentence as falling short of 80% target by approximately 15%;
- Increase the % of complaints responded to within 20 working days; and
- Reduce sickness absence rates across all services as this continues to be a challenging area, but there are good examples of positive performance that could be replicated across other services.

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 2018/19 include:

- The Champions Board, supporting care experienced young people, has engaged with 63 young people and 65 corporate parents in a variety of activities including Alpaca Trekking. Also small grants totalling approximately £20,000 have been awarded to 15 young people to support the purchase of laptops to assist with further education courses, driving lessons, university accommodation and volunteer work abroad;
- Inspection of the Throughcare Service for young people by the Care Inspectorate resulted in the highest grades of "Excellent" continuing to be awarded for the quality of care and support and quality of staffing;

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- The Health Visiting Service were accredited as a “Gold Baby Friendly Service” for excellence in the support of infant feeding and parent infant relationships;
- Full rollout of the “Red Bag Scheme” across care homes in West Dunbartonshire, supporting people to get home from hospital more quickly;
- Activity Co-ordinators for Crosslet House, residential older people’s home in Dumbarton, won Team of the Year in West Dunbartonshire Council’s 2018 Awards;
- Our Mental Health Team won the NHS GGC Chairman’s award for improvements in sickness absence;
- Dumbarton Day Centre and MSK Physiotherapy Service have worked in partnership to run a weekly clinic to allow service users with a learning disability to be treated quickly in familiar surroundings;
- Strong inter-generational links have developed between sheltered housing complexes and residential care homes with local communities to maximise opportunities for socialisation and activities. Pupils at Braehead Primary School established a “pen pal” scheme with our residents which progressed to the children joining weekly vitality groups encouraging the benefits of remaining active;
- Dementia in-patients in our Fruin and Katrine wards are benefiting from “open visiting” which encourages visitors to visit any time and have active involvement in direct care; and
- Pet therapy sessions have introduced Kiri a golden retriever into our inpatient dementia wards and Dumbarton Day Centre. Research has shown that animals enhance peoples quality of life by helping them to connect in different ways and bring comfort to people who can be anxious or have other difficulties

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 position. 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<sup>st</sup> March 2019 and has been prepared in accordance with The Code of Practice on Local Authority Accounting in the United Kingdom (the Code).

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.

The HSCP Board, like most public sector organisations has found the current financial climate of public sector austerity challenging. In 2018/19 the funding allocations made to the HSCP Board by NHS GGC and WDC did not require to adhere to any specific funding directions from the Scottish Government as prescribed in 2017/18. However the key points to note in 2018/19 are:

- NHS employees accepted a 3% pay award for all workers earning up to £80,000 and £1,600 for those earning above this salary;
- Local Government workers did not accept this offer and finally settled at 3.5%; and
- The Scottish Government distributed funding to support the integration agenda, with particular emphasis extension of the Scottish living wage, primary care, mental health, alcohol and drug partnerships and the enactment of the Carers Act.

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A well documented challenge for all health and social care partnerships is the ability to agree a budget by the start of the new financial year, due to the differing budget setting timescales of councils and health boards. For the 2018/19 budget setting exercise the HSCP Board were presented with a number of funding scenarios and their resultant budget gaps from November 2017 until the budget was formally set on 2 May 2018.

The HSCP Board, in line with its commitment to engage and encourage participation with all stakeholders, agreed at its February 2018 meeting to publically consult on the range of health and social care savings options developed by senior managers to fill the projected budget gaps. West Dunbartonshire HSCP Board were the only IJB in Scotland to consult in this manner.

By the time the HSCP Board set its budget in early May the funding position had improved dramatically as WDC reversed its decision to apply a £1.560m savings target as well as passing on the full share of the Scottish Government's additional £66m of funding to support integration, equating to £1.180m. Also NMSGC improved their funding allocation by passing through a full share of the 1.5% Scottish Government uplift as well as a proportionate share of pay award funding.

The final budget gap for health (£0.552m) and social care (£0.211m) was £0.763m and the HSCP Board approved savings options of £1.216m to allow for any delays in delivering on saving efficiency programmes, additional financial sustainability in future years and to add to the general reserves balance.

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

1 April 2018 to 31 March 2019	West Dunbartonshire Council £000	Greater Glasgow & Clyde Health Board £000	Total £000
Funds Received from Partners	(64,895)	(109,271)	(174,166)
Funds Spent with Partners	64,686	108,442	173,128
Surplus in Year 2018/19	(209)	(829)	(1,038)

The Comprehensive Income and Expenditure Statement (CIES) on page 26 details the cost of providing services for the year to 31<sup>st</sup> March 2019 for all health and care services delegated or hosted by the HSCP Board.

The total cost of delivering services amounted to £173.128m against funding contributions £174.166m, both amounts including notional spend and funding agreed for Set Aside of £18.210m, (further explained under Note 4 "Critical Judgements and Estimations" page 30). This therefore leaves the HSCP Board with an overall surplus (including planned transfers to earmarked reserves) on the provision of services of £1.038m, the composition of which is detailed within Note 11 "Usable Reserve: General Fund" page 33.

The HSCP Board receives a comprehensive financial performance report at every meeting. The [Financial Performance Report](#) (see Appendix 1, 6.) presented to the HSCP Board on 8 May 2019, projected an underspend of £0.413m (0.27%) for the financial year 2018/19. This figure excluded planned additions to earmarked reserves and was a



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significant improvement on the overspend that had been projected on a diminishing basis throughout the financial year. The components parts of this underspend (further explained below) were £0.369m for health care and £0.044m for social care.

The final outturn position for 2018/19, excluding planned transfers to reserves and after accounting for all know adjustments is £0.450m, a very minor increase to the underspend of £0.037m, as reported at the 8 May HSCP Board. This additional underspend was within social care services and is displaced below:

<b>Consolidated Health &amp; Social Care Services</b>	<b>Budget £000</b>	<b>Spend £000</b>	<b>Variance (Over)/ Under £000</b>	<b>Variance (Over)/ Under %</b>
Older People Services	51,581	52,610	(1,029)	(2%)
Physical Disability	3,306	3,270	36	1%
Children and Families	21,354	23,618	(2,264)	(11%)
Mental Health Services	12,203	11,719	484	4%
Addictions	3,506	3,258	248	7%
Learning Disabilities	17,386	17,279	108	1%
Family Health Services (FHS)	26,824	26,824	0	0%
GP Prescribing	19,306	19,383	(76)	(0%)
Hosted Services	7,485	7,210	275	4%
Criminal Justice	2,076	2,120	(44)	(2%)
Resource Transfer	15,088	15,088	0	0%
Other Services	7,901	5,784	2,117	27%
<b>Gross Expenditure</b>	<b>188,017</b>	<b>188,162</b>	<b>(146)</b>	<b>(0%)</b>
Income	(32,638)	(33,234)	596	(2%)
<b>Total Net Expenditure</b>	<b>155,379</b>	<b>154,929</b>	<b>450</b>	<b>(0%)</b>
Set aside for large hospital services	18,210	18,210	0	
Assisted Garden Maintenance and Aids and Adaptations	577	577	0	
<b>Total Integrated Joint Board</b>	<b>174,166</b>	<b>173,716</b>	<b>450</b>	<b>(0%)</b>

As stated above, this reported underspend is the result of significant work by HSCP budget holders and finance colleagues to minimise the projected overspend position. The HSCP Board had been informed by the end of the 1<sup>st</sup> quarter of 2018/19 that the cost of children's community placements and supporting older people in their home or a homely setting had continued to increase, similar to that experienced in the latter part of the 2017/18 financial year. In line with the requirements of the Integration Scheme and as part of the financial governance framework, a recovery plan was agreed after confirmation of the 2<sup>nd</sup> quarter's projection, which included:

- Vacancy control procedures remain in place, i.e. all vacancies must be brought to SMT for discussion and approval;
- Overtime authorisation procedures refreshed and premium rate overtime only to be utilised if impacting on the delivery of front line services;
- All requests for the purchase of IT or mobile devices to be approved by the Head of Service and Chief Financial Officer;

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- Any current underspends in non-staffing budgets to be secured as far as possible, with essential spend only on any administrative or general supplies;
- Income maximisation where possible i.e. financial assessments carried out timeously and grant income secured;
- Savings related to budgets ring-fenced for service redesign models of Frailty and Alternatives to Care be used to help offset older people services pressure and community placements; and
- Review of approved savings targets for 2018/19 and accelerate if possible.

Whilst the final financial position is an overall underspend, it must be acknowledged that in some service areas (see table above) struggled to achieve financial balance and required to be have their overspends offset by the savings in other areas.

The key messages for the financial year 2018/19 are:

- On a total budget allocation of £174.166m from our funding partners WDC and NHSGGC, we have ended the year with a surplus of £1.038m after taking account of planned additions to reserves;
- The movement in earmarked reserves is an overall increase of £0.287m, bringing the closing balance to £4.723m. There were a number of significant additions amounting to £0.895m from the new Scottish Government funding in primary care, mental health and ADP services. However this source of addition to earmarked reserves is replicated across IJBs as securing appropriately qualified staff has been challenging. Forward plans will reflect the earmarked funding;
- Also included in the earmarked reserves balance is £0.369m which represents the overall underspend in health care services. Again the HSCP Board approved that this be earmarked as a Prescribing reserve given the volatility around global prices and the uncertainty of supply as a consequence of the UK leaving the EU;
- A proportion of earmarked reserves were reclassified and transferred to general reserves, in line with HSCP Board approval in November 2018. A total of £0.670m was released to increase the general reserves balance to bring the total closer to the 2% target as set out in the Reserves Policy;
- The movement in unearmarked, general reserves is an overall increase of £0.751m, bringing the closing balance to £2.457m. As stated above the main reason for this is the transfer of £0.670m from earmarked reserves, with the remainder from the general underspend in social care services;
- Detailed explanations and analysis of budget performance against actual costs is laid out in the 8 May 2019 Financial Performance Report ([link above](#)) however the main areas are:
  - Community and residential placements for children and young people exceeded the budget by £1.2m. These services were invested in for 2018/19 by an additional £1.1m; however kinship and fostering placements continued to rise by approximately 25%. The Head of Children and Families is committed to reviewing the reasons, processes and outcomes of these placements;
  - Children placed within residential schools due to emotional, behavioural or physical disabilities exceeded the budget by £0.9m. This is an extremely volatile budget and secure placements can cost in excess of £0.2m per child. 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 £0.5m and £0.2m 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. However changes to sheltered housing provided by external providers reduced costs by £0.3m;

- All other adult services including learning and physical disability and mental health and addiction services collectively underspent by £0.7m, mainly due to a reduction in a small number of high tariff, complex mental health and learning disability clients in receipt of high cost packages;
- Other Services including resources from social care funding from Scottish Government contributed £1.8m to the outturn position. This was due to a number of short term benefits from delays in applying this funding to new service developments. This will not be available in 2019/20;
- Within health care the expectation was to achieve a close to breakeven position as pressures due to a high cost specialist nursing package and delays in school nursing were being met from additional turnover mainly within MSK Physiotherapy as a consequence of qualified staff moving to new posts funded by primary care transformation funding and reduced spending on non-discretionary funding;
- The £20m GP Prescribing budget was exceeded by £0.076m based on the most up to date information. In addition to the 3% added to the 2018/19 budget a further £0.1m was transferred from the financial planning contingency.
- The main source of the underspend was due to net impact of additional income received from Highland Health Board of approximately £0.360m based on their use of mental health beds within West Dunbartonshire. This information was not available until the latter part of the financial year as the income is received by NHSGGC as part of the overall cross boundary activity and is based on a 3 year rolling average.

## 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.)

At the annual review of the Strategic Risk Register at the September 2018 Audit Committee and in response to some board members concerns, the Chair requested that:

- The format and content of the Risk Register be reviewed brought back to the HSCP Board for their approval on completeness of strategic risks identified, consistent scoring of risks and appropriate mitigating actions in place to minimise the impacts of strategic risks; and
- A Member's workshop be arranged to review the changes.

A revised Risk Register was presented to the March 2019 Audit Committee and can be viewed <http://www.wdhscp.org.uk/media/2134/document-pack-audit-committee-13-march-2019.pdf> (see Appendix 1, 9.). Members noted the paper but with the request that amendments are made following the scheduled Member's Workshop in June and presented to the HSCP Board in its final form in September.

Some of the key risks identified below have a pre-mitigation assessment risk grade of "critical" and "certain" but with mitigating actions the likelihood of this outcome should reduce:

- Financial Sustainability/Constraints/Resource Allocation;
- Brexit;
- Procurement and Commissioning;

- Performance Management;
- Information and Communication;
- Public Protection;
- Delayed Discharge and Unscheduled Care; and
- Workforce Sustainability

Strategic Risks by their very nature are uncertain and the mitigating actions can be dependent on the support from our council and health board partners, the Scottish Government and other key stakeholders.

Financial risk is a factor in most of the identified strategic risks as future funding still remains uncertain, despite some level of assurance from the Scottish Government on additional funding to support integration.

Agreeing a mechanism to transfer actual funding from the notional set aside resource must be progressed, but there is a risk that it will come with a savings target attached.

The UK's proposed exit from the EU has identified a number of potential consequences from a short supply of medicine, coupled with increased costs to those drugs available. Workforce issues in both health and social care settings across our own internal workforce and our external partners. Establishing registers of staff at risk and working with staff, government and independent providers will allow contingency plans to be put in place to minimise disruption.

Continued demographic growth in the older population coupled with poor health requires true transformation of services to be supported with robust commissioning and financial plans and an empowered workforce. The HSCP Board have invested in this by approving an additional senior finance manager, a fixed one year term human resources advisor to support employee absence and three transformational changed posts for a fixed two year period, to support the senior management team to deliver on these key priorities.

Delivering on Scottish Government priorities of improvements in primary care and support with mental health and addictions has had an impact on workforce stability within the partnership. Appropriate training and succession planning in partnership with our neighbouring IJBs is being covered in multi-disciplinary strategy groups.

During 2018/19 the Care Inspectorate carried out a Thematic Review of West Dunbartonshire approach to Self-directed support in Scotland and an Inspection of Justice Social Work Services.

The full reports have yet to be published; however there has been informal feedback to the Chief Officer and Chief Social Work Officer as part of inspection process. Final reports will be presented to the HSCP Board including action plans for their approval based on the recommendations included in the final published reports.

## **Financial Outlook**

The review of the financial statements and the risks above describes the financial pressures and uncertainties facing the HSCP Board.

While the GP Prescribing activity performed close to the agreed budget, volatility of drug prices, in the shadow of Brexit, remains as one of the most significant financial risks to the partnership. The HSCP Board agreed to increase the 2019/20 budget by 5% to underwrite some of this uncertainty, coupled with the creation of an earmarked reserve from the 2018/19 general underspend. The Prescribing Efficiency Group continues with

its ambitious programme of planned efficiencies of approximately £11m across the six Glasgow partnerships.

Work continues to be progressed in relation to the sum set aside for hospital services. The Ministerial Strategic Group's report on the Progress of Health and Social Care Integration, published in February 2019 require arrangements to be put in place in time for Integration Authorities by the end of 2019/20. To date work has focused on the collation of data in relation to costs and activity. Moving forward work has now commenced on the development of commissioning plans to support the implementation of set aside arrangements.

The requirement to identify savings and efficiencies in the medium to long term places significant risk on the HSCP Board's ability to set a balanced budget and continue to deliver high quality services. The savings programme agreed by the HSCP Board as part of the 2018/19 budget setting process, covers the three year period to 2020/21 and should deliver a further £1.1m of savings. Further efficiency programmes implemented as part of the 2019/20 process around management actions designed to review current services packages and external provider arrangements extends these efficiencies by £1.3m until 2021/22.

## Reserves

The HSCP Board's Reserves Strategy is in place to help mitigate any delay in the achievement of 2018/19 and 2019/20 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 mainly earmarked 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 £2.6m, and for 2018/19 the final position is £2.457m (see Note 11: Usable Reserve: General Fund) moving closer to the recommended target. This resource can 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 2019/20 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.

**Allan MacLeod**  
HSCP Board Chair

Date: 19<sup>th</sup> June 2019

**Beth Culshaw**  
Chief Officer

Date: 19<sup>th</sup> June 2019

**Julie Slavin CPFA**  
Chief Financial Officer

Date: 19<sup>th</sup> June 2019

**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.

I confirm that these Unaudited Annual Accounts were approved for signature at a meeting of the Audit Committee on 19<sup>th</sup> June 2019.

Signed on behalf of the West Dunbartonshire Health & Social Care Partnership.

**Allan MacLeod**  
HSCP Board Chair

Date: 19<sup>th</sup> June 2019

## 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<sup>st</sup> March 2019 and the transactions for the year then ended.

**Julie Slavin CPFA**  
Chief Financial Officer

Date: 19<sup>th</sup> June 2019

## **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 2018/19 no taxable expenses were claimed by members of the partnership board.

### **1. Health and Social Care Partnership Board**

The six voting members of the HSCP Board were appointed, in equal numbers, 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 and 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 2018/19 no voting member received any form or remuneration from the HSCP Board as detailed in the table over.

Voting Board Members 2018/19	Organisation
Allan MacLeod (Chair)	NHS Greater Glasgow & Clyde Health Board
Marie McNair (Vice Chair)	West Dunbartonshire Council
John Mooney	West Dunbartonshire Council
Denis Agnew	West Dunbartonshire Council
Rona Sweeney	NHS Greater Glasgow & Clyde Health Board
Audrey Thompson	NHS Greater Glasgow & Clyde Health Board



## 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.

Ms Culshaw is employed by WDC, and holds an honorary contract with NHSGGC.

Chief Officer and Chief Financial Officer posts 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 2017/18 £	Senior Officers	Salary, Fees & Allowance £	Compensation for Loss of Office £	Total Earnings 2018/19 £
77,784 (FYE 103,000)	B Culshaw Chief Officer	108,300	-	108,300
69,795	J Slavin Chief Financial Officer	74,524	-	74,524

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 31<sup>st</sup> March 2019

Senior Officers	In Year Contributions		Accrued Pension Benefits		
	For Year to 31/03/2018 £000	For Year to 31/03/2019 £000		For Year to 31/03/2018 £000	For Year to 31/03/2019 £000
B Culshaw Chief Officer	15	21	Pension Lump Sum	1 -	4 -
J Slavin Chief Financial Officer	10	11	Pension Lump Sum	3 -	4 -

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 31/03/2018	Number of Employees 31/03/2019
£65,000 - £69,999	1	
£75,000 - £79,999	1	1
£105,000 - £109,999		1

**Allan Macleod**  
HSCP Board Chair

Date: 19<sup>th</sup> June 2019

**Beth Culshaw**  
Chief Officer

Date: 19<sup>th</sup> June 2019

## **ANNUAL GOVERNANCE STATEMENT**

### **Introduction**

The Annual Governance Statement explains the HSCP Board's governance arrangements as they meet 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 meet this responsibility the HSCP Board continues to have in place robust arrangements for the governance of its affairs and the 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 and 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 the 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 and 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 adopted governance arrangements are 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 Governance is in place which is reviewed annually and evidences the HSCP Board's commitment to achieving good governance and demonstrates how it complies with the recommended CIPFA standards. A copy of the code is available [here](http://wdhscp.org.uk/media/1793/wdhscp-local-code-of-good-governance.pdf) on the HSCP website:

<http://wdhscp.org.uk/media/1793/wdhscp-local-code-of-good-governance.pdf>

The main features of the HSCP Board's governance framework and system of internal control is reflected in its Local Code, with the key features summarised below:

- The HSCP Board comprising of a Chair, five other voting members and a number of professional and stakeholder non-voting members, is the key decision making body;
- 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 HSCP Board has two governance sub-committees; Audit Committee and the Strategic Planning Group;
- The new Strategic Planning Group developed the Strategic Plan 2019 - 22 setting out the strategic vision and priorities;
- The scope, authority, governance and strategic decision making of the HSCP Board and Audit Committee is set out in key constitutional documents including the terms of reference, code of conduct, standing orders and financial regulations;
- A register of interests is in place for all Board members and senior officers;
- The Performance Management Framework commits to regular performance and financial reporting. Each meeting of the HSCP Board receives performance and finance reports, which have already been scrutinised by the Senior Management Team. Additionally the HSCP Board now has in place a programme of development sessions, enabling members to interrogate performance and policy in greater detail;
- The Participation and Engagement Strategy sets out the HSCP Board's approach to engaging with stakeholders. 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 has identified a reasonable level of both general and earmarked reserves;
- Capital Project Boards, chaired by the Chief Officer have been 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 who are also required to undertake statutory and mandatory training to reinforce their obligations to protect our service users, including information security; and
- Effective scrutiny and service improvement activities are supported by the formal submission of reports, findings, recommendations and associated action plans by Audit Scotland, Ministerial Strategic Group, our external and internal auditors and the Care Inspectorate.

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 of the HSCP. In particular these systems include:

- Financial regulations and codes of financial practice;
- Procurement regulations which recognise the complexities of health and social care services for vulnerable service users;
- Comprehensive budgeting systems;
- Clearly defined capital expenditure guidelines;
- Programme of internal audits; and
- Senior officer led joint working groups, planning groups and project boards.

## 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 be professionally qualified and suitably experienced and lead and direct a finance function that is resourced and fit for purpose.

This requirement was further endorsed by the recent Ministerial Strategic Group for Health and Community Care – "Review of Progress with Integration of Health and Social Care". The accompanying self-evaluation, completed in May 2019, in partnership with HSCP Board members and senior managers of the HSCP, WDC and NHSGGC, concluded that this was well established.

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 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 the development and maintenance of the governance environment and the work of internal and external audit and 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 considers the sub-principles underpinning the seven key principles and considers examples of current good practice, systems, processes, policies, reports in place and current developments. For the June 2019 review the HSCP 19<sup>th</sup> June Audit Committee agreed that there were no areas assessed to be non-compliant and more than half were considered fully compliant. In the areas assessed as generally compliant an Action Plan was produced detailing the improvement action and the lead officer responsible, (see section "Governance Issues 2018/19 and Further Actions" below).

The full report can be found at <http://wdhscp.org.uk/about-us/health-and-social-partnership-board/financial-governance/audit-committee-meeting-papers/>

Other reviews to improve effectiveness include:

- The establishment and operation of the Strategic Planning Group;
- A refreshed remit and membership of the Clinical and Care Governance Group;
- A Charging Policy Review Group; and
- Joint Working Review Group with WDC reviewing the delivery and performance of Children's Services, including residential placements.

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 to the HSCP these statements were provided by the HSCP's Chief Officer, Chief Financial Officer and Senior Management Team. These responses are considered as part of the review of the HSCP Board's and WDC's governance arrangements and inform the Chief Internal Auditor's Annual Report. Some of the key improvements noted in 2018/19 are:

- As required by the Integration Scheme the production and implementation of a successful financial recovery plan to reduce the 2018/19 projected overspend;
- The HSCP Finance team supported the operational heads of service and WDC corporate procurement colleagues in the production of a service expenditure mapping template to inform the HSCP's priorities within the WDC Procurement Pipeline;
- Implementation of revised complaints handling procedures, including reporting;
- The Senior Management Team and Chair of the HSCP Board reviewed the format, content, scoring and mitigating actions of all known strategic risks to produce an updated Strategic Risk Register ; and
- Audit of frequent A&E attendees to assess what HSCP services are or could be available, with plans now in place to support particular individuals suffering with mental ill-health or Chronic Obstructive Pulmonary Disease (COPD).

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 previous two years governance statements, differences in the approval process for budget setting for WDC and NHSGGC has led to delays in the HSCP Board being able to approve its Annual Revenue Budget, including savings options.

Progress has been made each year since 2016/17 as Chief Officers and Chief Financial Officers of the six Glasgow area partnerships worked closely with NHSGGC finance colleagues to agree on the key elements of Scottish Government funding settlements. 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<sup>nd</sup> May 2018. For the new financial year 2019/20 this has been further improved upon as the budget was conditionally approved at an additional meeting of the HSCP Board on 28<sup>th</sup> March 2019, based on the indicative funding allocation from NHSGGC, formally approved by their Board on the 6 April 2019.

The ongoing focus will now be on working with the council, health board and Scottish Government on future funding settlements to allow for medium to long term financial planning, closely aligned to the Strategic Plan 2019-22 priorities and informed by the (in draft) Commissioning Plan, due to be presented to the August 2019 HSCP Board for consideration.

## Governance Issues 2018/19 and Further Actions

As referred to under “Review of Adequacy and Effectiveness” above the Local Code was reviewed at the 19<sup>th</sup> June 2019 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 last year’s review. However some of these improvements will require time to fully develop including:

- A refresh and update to Self Directed Support arrangements;
- Strengthening performance reports against the Scottish Government’s Best Value Framework; and
- Review of the effectiveness of the Audit Committee

The review also included the HSCP Board’s Improvement Actions for 2019/20:

Improvement Action	Lead Officer	Due Date
Develop a robust Commissioning Plan driven by new Strategic Plan 2019 - 2022	Head of Strategy, Planning and Health Improvement	August 2019
Increase the % of spend by HSCP Board with 3rd party social care providers being compliant with Financial Regulations (incorporating procurement regulations) and have robust service specifications and contract monitoring arrangements in place	Chief Financial Officer & Head of Strategy, Planning and Health Improvement	April 2020
Ministerial Strategic Group Review on the Progress of Integration Action Plan – from May 2019 Self Evaluation	Chief Officer	Full agreement required from partners

These three improvement actions are summarised headings for what are complex workstreams, supporting and enhancing the current governance framework. Each workstream will necessitate significant application of time and resource from the HSCP senior management team in partnership with the council and the health board. The HSCP Board and Audit Committee will receive regular reports throughout the coming year to allow scrutiny and approval of progress. Each area will also feed into the review of the current Integration Scheme, required to be refreshed every five years under the provisions of the Public Bodies (Joint Working) Act (Scotland) 2014 and scheduled to be completed by July 2020.

Further areas for improvement to support the governance arrangements and demonstrate best value are also detailed in the annual assurance statements completed by the senior management team (as detailed above in **Review of Adequacy and Effectiveness**). These include:

- Working with WDC procurement team to maximise procurement compliance levels underwritten by clear commissioning intentions;
- Reduce absence to both support staff wellbeing and contain costs; and
- Effective utilisation of performance and benchmarking information to inform service transformational change.

Compliance with financial regulations in the area of procurement of social care services is a key priority area for the HSCP Board in evidencing best value in a climate of financial challenge. Throughout 2018/19 there has already been significant analysis undertaken by the HSCP, WDC procurement colleagues and internal audit, mapping actual expenditure against service delivery. This has been progressed in tandem with the roll-out of procurement training across the HSCP as well as distinct, targeted sessions with the senior management team and the extended management team.

West Dunbartonshire Council's 2018/19 Annual Procurement Report concludes that across an analysis of spend totalling £154.5m (this includes approx. £40m of HSCP revenue spend); approximately 77% complied with financial regulations. The improvement target is to reach 90% by the end of 2020.

The HSCP Board on 8<sup>th</sup> May 2019 considered a procurement update report on the £40.1m of projected spend in 2019/20 with external bodies, including:

- The continuation of those social care placements (care homes, fostering, residential schools) currently procured through the National Care Contract and Scotland Excel Frameworks (approximate value £18.6m);
- The authorisation to initiate procurement processes for social care services; and
- Approve the role of the WDC Tendering Committee in the recommended award of any such contract in the council's role as the contracting body for those services commissioned by the HSCP Board.

The Chief Internal Auditor presented to the June 2019 Audit Committee the findings of the recently completed audit on "Social Work Tendering and Commissioning". This audit was requested by the HSCP senior management team to be part of the 2018/19 Audit Plan, to re-enforce their commitment to continuous improvement and in recognition of non-compliant practice in particular areas of social care.

The audit highlighted that the service areas are dedicated to meeting service users' needs and to ensure that appropriate care is provided in a timely fashion. The review also highlighted that opportunities exist to strengthen internal controls and enhance the service provided.

A total of seven recommendations were identified, of which five were deemed medium risk and two low risk.

As stated above significant groundwork has already commenced and many of the recommendations have been pre-empted, including framework compliance. Progress will be monitored, reported and scrutinised by the HSCP Audit Committee throughout the coming year.

## **Conclusion and Opinion on Assurance**

The Chief Internal Auditor's 2018/19 Annual Report to the HSCP Board's June Audit Committee highlighted the focus on procurement activity following the review undertaken by Audit Scotland and the compliance actions undertaken by the council. Improvement plans are now in place to increase compliance and management processes.

Overall the Chief Internal Auditor's evaluation of the control environment 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, the review of the local code and knowledge of the HSCP Board's governance, risk management and performance monitoring arrangements:



# West Dunbartonshire Health & Social Care Partnership

West Dunbartonshire Integration Joint Board – Annual Accounts for the Year Ended 31<sup>st</sup> March 2019

*“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<sup>st</sup> March 2019 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.

**Allan Macleod**  
HSCP Board Chair

Date: 19<sup>th</sup> June 2019

**Beth Culshaw**  
Chief Officer

Date: 19<sup>th</sup> June 2019

# West Dunbartonshire Health & Social Care Partnership

West Dunbartonshire Integration Joint Board – Annual Accounts for the Year Ended 31<sup>st</sup> March 2019

## COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT

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

2017/18 Gross Expenditure  Restatement £000	2017/18 Gross Income  Restatement £000	2017/18 Net Expenditure  Restatement £000	West Dunbartonshire Integrated Joint Board Health and Social Care Partnership	2018/19 Gross Expenditure  £000	2018/19 Gross Income  £000	2018/19 Net Expenditure  £000
<b>Consolidated Health &amp; Social Care</b>						
51,875	(7,765)	44,110	Older People Services	53,165	(8,157)	45,008
2,972	(190)	2,782	Physical Disability	3,270	(263)	3,007
21,879	(978)	20,901	Children and Families	23,618	(1,107)	22,511
11,133	(2,099)	9,034	Mental Health Services	11,554	(2,605)	8,949
3,093	(172)	2,921	Addictions	2,730	(162)	2,568
16,225	(485)	15,740	Learning Disabilities services	17,266	(611)	16,655
24,952	(990)	23,962	Family Health Services (FHS)	26,824	(1,086)	25,738
19,887	0	19,887	GP Prescribing	19,383	0	19,383
6,052	(275)	5,777	Hosted Services - MSK Physio	6,447	(193)	6,254
745	(4)	741	Hosted Services - Retinal Screening	763	(8)	755
1,962	(1,961)	1	Criminal Justice	2,120	(2,120)	0
3,652	(1,063)	2,589	Other Services	4,069	(826)	3,243
283	0	283	IJB Operational Costs	270	0	270
<b>164,710</b>	<b>(15,982)</b>	<b>148,728</b>	<b>Cost of Services Directly Managed by WD HSCP</b>	<b>171,479</b>	<b>(17,138)</b>	<b>154,341</b>
17,066		17,066	Set aside for delegated services provided in large hospitals	18,210		18,210
927		927	Assisted garden maintenance and Aids and Adaptions	577		577
<b>182,703</b>	<b>(15,982)</b>	<b>166,721</b>	<b>Total Cost of Services to WD HSCP</b>	<b>190,266</b>	<b>(17,138)</b>	<b>173,128</b>
	(167,295)	(167,295)	Taxation & Non- Specific Grant Income (contribution from partners) <b>Note 6</b>		(174,166)	(174,166)
		<b>(574)</b>	<b>(Surplus) or Deficit on Provisions of Services</b>			<b>(1,038)</b>

# West Dunbartonshire Health & Social Care Partnership

West Dunbartonshire Integration Joint Board – Annual Accounts for the Year Ended 31<sup>st</sup> March 2019

## 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 2018/19	Unearmarked Reserves Restatement Balance £000	Earmarked Reserves Restatement Balance £000	Total General Fund Reserves £000
<b>Opening Balance as at 31<sup>st</sup> March 2018</b>	(1,706)	(4,436)	(6,142)
Total Comprehensive Income and Expenditure (Increase)/Decrease 2018/19	(751)	(287)	(1,038)
<b>Closing Balance as at 31<sup>st</sup> March 2019</b>	(2,457)	(4,723)	(7,180)

Movement in Reserves During 2017/18	Unearmarked Reserves Restatement Balance £000	Earmarked Reserves Restatement Balance £000	Total General Fund Reserves £000
<b>Opening Balance as at 31<sup>st</sup> March 2017</b>	(2,080)	(3,488)	(5,568)
Total Comprehensive Income and Expenditure (Increase)/Decrease 2017/18	374	(948)	(574)
<b>Closing Balance as at 31<sup>st</sup> March 2018</b>	(1,706)	(4,436)	(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.

2017/18 Restatement £000		Notes	2018/19 £000
6,142	Short Term Debtors	8	7,180
<b>6,142</b>	<b>Current Assets</b>		<b>7,180</b>
-	Short Term Creditors	9	-
-	Current Liabilities	-	-
<b>6,142</b>	<b>Net Assets</b>	-	<b>7,180</b>
(1,706)	Usable Reserves: General Fund	10	(2,457)
(4,436)	Usable Reserves: Earmarked	10	(4,723)
<b>(6,142)</b>	<b>Total Reserves</b>	-	<b>(7,180)</b>

The unaudited accounts were issued on 19 June 2019 and the audited accounts were authorised for issue on 25 September 2019.

**Julie Slavin CPFA**  
Chief Financial Officer

Date: 19 June 2019

## **NOTES TO THE FINANCIAL STATEMENTS**

### **1. Significant Accounting Policies**

#### **1.1 General Principles**

The Financial Statements summarises the HSCP Board's transactions for the 2018/19 financial year and its position at the year-end of 31<sup>st</sup> March 2019.

The HSCP Board was established under the terms of the Public Bodies (Joint Working) (Scotland) Act 2014 and is a joint venture between West Dunbartonshire Council and NHS Greater Glasgow and Clyde Health Board.

The HSCP Board is a specified Section 106 body under the Local Government (Scotland) Act 1973 and as such is required to prepare their financial statements in compliance with the Code of Practice on Local Authority Accounting in the United Kingdom 2018/19, supported by International 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 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 and service recipients in Greater Glasgow and Clyde, for services which are delivered under Hosted arrangements.

#### **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<sup>st</sup> March 2019, 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 31<sup>st</sup> 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<sup>st</sup> March 2019 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<sup>st</sup> March 2019, 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<sup>st</sup> March 2019, 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<sup>st</sup> March 2019 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.

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

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

## 2. Prior Year Re-Statement

The reporting segments within the Comprehensive Income and Expenditure Statement were reduced by summarising some service categories.

The Debtors value at Note 9 was restated to reflect that all HSCP Board Reserves are held in our local authority partner's balance sheet.

There was a minor restatement of £0.001m within the 2017/18 split of earmarked and general unearmarked reserves at Note 11 as the result of rounding amounts to the nearest thousand.

## 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

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 on acute hospital activity data provided in September 2018. It is based on a 3 year average of activity data covering 2015/16 to 2017/18 and a 2016/17 cost basis. As such, the set aside value included in the accounts will not reflect actual hospital usage in 2018/19. The Scottish Government are in agreement with this approach taken by the six IJBs in the NHS GGC area.

## 5. Events After the Reporting Period

The Annual Accounts were authorised for issue by the Chief Financial Officer on 25 September 2019. Events taking place after this date are not reflected in the financial statements or notes. Where events taking place before this date provided information about conditions existing at 31<sup>st</sup> March 2019, the figures in the financial statements and notes have been adjusted in all material respects to reflect the impact of this information.

# West Dunbartonshire Health & Social Care Partnership

West Dunbartonshire Integration Joint Board – Annual Accounts for the Year Ended 31<sup>st</sup> March 2019

## 6. Expenditure and Income Analysis by Nature

2017/18 £000	West Dunbartonshire Integrated Joint Board Health & Social Care Partnership Consolidated Health & Social Care Services	2018/19 £000
65,382	Employee Costs	67,444
859	Property Costs	894
1,459	Transport	1,507
7,806	Supplies and Services	6,560
42,586	Payment to Other Bodies	47,019
23,346	Prescribing	23,294
21,262	Family Health Services	22,728
1	Capital Charges	1
1,985	Other – Direct Payments	2,007
24	Audit Fee	25
927	Assisted Garden Maintenance and Aids and Adaptations	577
17,066	Set Aside for Delegated Services Provided in Large Hospitals	18,210
(15,982)	Income	(17,138)
(167,295)	Taxation and non specific grant income	(174,166)
<b>(574)</b>	<b>Surplus on the Provision of Services</b>	<b>(1,038)</b>

There are no statutory or presentational adjustments which reflect the WDHS CP Board's application of the funding received from partners. The movement in the General Fund balance is therefore solely due to the transactions shown in the Comprehensive Income and Expenditure Statement. Consequently, an Expenditure and Funding Analysis is not provided in these annual accounts.

## 7. Taxation and Non-Specific Grant Income

The funding contribution from the NHS Greater Glasgow and Clyde Health Board shown below includes £18.210m 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.

2017/18 £000	Taxation and Non-Specific Grant Income	2018/19 £000
(88,755)	NHS Greater Glasgow and Clyde Health Board	(91,061)
(60,547)	West Dunbartonshire Council	(64,318)
(17,066)	NHS GGCHB Set Aside	(18,210)
(927)	Assisted garden maintenance and Aids and Adaptions	(577)
<b>(167,295)</b>	<b>Total</b>	<b>(174,166)</b>

## 8. Hosted Services

Consideration has been made on the basis of the preparation of the 2018/19 accounts in respect of MSK Physiotherapy, Retinal Screening and Old Age Psychiatry Services hosted by West Dunbartonshire HSCP Board for other IJBs within NHSGGC area. The HSCP Board is considered to be acting as a "principal", with the full costs of such services being reflected in the 2018/19 financial statements. This position is unchanged since from the basis of preparation approved in 2017/18. The cost of the hosted services provided to other IJBs for 2018/19 is detailed in the table below:

# West Dunbartonshire Health & Social Care Partnership

West Dunbartonshire Integration Joint Board – Annual Accounts for the Year Ended 31<sup>st</sup> March 2019

2017/18 £000 Net Expenditure of Other IJB Activity	Host Integrated Joint Board	Service Description	2018/19 £000 Net Expenditure of Other IJB Activity
5,507	West Dunbartonshire	MSK Physiotherapy	5,366
731	West Dunbartonshire	Retinal Screening	689
99	West Dunbartonshire	Old Age Psychiatry	73
<b>6,337</b>		<b>Cost to GGC IJBs for Services Hosted by WD</b>	<b>6,128</b>

Similarly, other IJBs' within the NHSGGC 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.

2017/18 £000 Net Expenditure by WD HSCP	Host Integrated Joint Board	Service Description	2018/19 £000 Net Expenditure by WD HSCP
641	East Dunbartonshire	Oral Health	617
381	East Renfrewshire	Learning Disability	570
282	Glasgow	Continence	286
585	Glasgow	Sexual Health	563
1,664	Glasgow	Mental Health	1,431
1,085	Glasgow	Addictions	1,048
792	Glasgow	Prison Healthcare	763
184	Glasgow	Health Care Police Custody	189
5,599	Glasgow	Psychiatry	5,003
495	Renfrewshire	Podiatry	521
289	Renfrewshire	Primary Care Support	298
<b>11,997</b>		<b>Cost to WD for Services Hosted by Other IJBs</b>	<b>11,289</b>

## 9. Debtors

2017/18 Restatement £000	Short Term Debtors	2018/19 £000
0	NHS Greater Glasgow and Clyde Health Board	0
6,142	West Dunbartonshire Council	7,180
<b>6,142</b>	<b>Total</b>	<b>7,180</b>

## 10. Creditors

2017/18 £000	Short Term Creditors	2018/19 £000
0	NHS Greater Glasgow and Clyde Health Board	0
0	West Dunbartonshire Council	0
<b>0</b>	<b>Total</b>	<b>0</b>



# West Dunbartonshire Health & Social Care Partnership

West Dunbartonshire Integration Joint Board – Annual Accounts for the Year Ended 31<sup>st</sup> March 2019

## 11. 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.

Balance as at 31 <sup>st</sup> March 2018 Restatement £000	Total Reserves	Transfers Out 2018/19 £000	Transfers In 2018/19 £000	Balance as at 31 <sup>st</sup> March 2019 £000
(13)	GIRFEC Council	7		(6)
(71)	Criminal Justice - Transitional Funds			(71)
(37)	Carers Funding		(146)	(183)
(1,223)	Social Care Fund - Living Wage	450		(773)
(1,081)	Service Redesign & Transformation	110		(971)
(540)	Integrated Care Fund	120		(420)
(103)	Delayed Discharge			(103)
(130)	GIRFEC NHS	31		(99)
(179)	DWP Conditions Management	5		(174)
(172)	TEC (Technology Enabled Care) Project	36		(136)
(265)	Primary Care Transformation Fund including Cluster Lead Funding	17	(12)	(260)
(125)	Physio Waiting Times Initiative			(125)
(60)	Retinal Screening Waiting List Grading Initiative			(60)
(47)	GP Premises Improvement Funding	7	(28)	(68)
(359)	MSK Ortho Project	359		0
(31)	MSK Govan SHIP Project Funding	31		0
0	Mental Health - Action 15		(123)	(123)
0	Primary Care Improvement Plan		(482)	(482)
0	TEC Attend Anywhere		(10)	(10)
0	Alcohol & Drug Partnership		(290)	(290)
0	Prescribing Reserve		(369)	(369)
<b>(4,436)</b>	<b>Total Earmarked Reserves</b>	<b>1,173</b>	<b>(1,460)</b>	<b>(4,723)</b>
<b>(1,706)</b>	<b>Total Unearmarked Reserves</b>		<b>(751)</b>	<b>(2,457)</b>
<b>(6,142)</b>	<b>Total General Fund Reserves</b>	<b>1,173</b>	<b>(2,211)</b>	<b>(7,180)</b>
	<b>Overall Movement</b>			<b>(1,038)</b>

# West Dunbartonshire Health & Social Care Partnership

West Dunbartonshire Integration Joint Board – Annual Accounts for the Year Ended 31<sup>st</sup> March 2019

## 12. 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. Neither NHSGGC or WDC charged for any support services for the year ended 31 March 2019.

### Transactions with Greater Glasgow and Clyde Health Board

2017/18 £000		2018/19 £000
(105,821)	Funding Contributions Received from the NHS Board	(109,271)
105,437	Expenditure on Services Provided by the NHS Board	108,442
<b>(384)</b>	<b>Net Transactions with NHS Board</b>	<b>(829)</b>

### Transactions with West Dunbartonshire Council

2017/18 Restatement £000		2018/19 £000
(61,474)	Funding Contributions Received from the Council	(64,895)
61,001	Expenditure on Services Provided by the Council	64,416
283	Key Management Personnel: Non Voting Members	270
<b>(190)</b>	<b>Net Transactions with West Dunbartonshire Council</b>	<b>(209)</b>

## 13. External Audit Costs

In 2018/19 the HSCP Board incurred external audit fees in respect of external audit services undertaken in accordance with the Code of Audit Practice:

2017/18 £000		2018/19 £000
24	Fees Payable	25

# West Dunbartonshire Health & Social Care Partnership

West Dunbartonshire Integration Joint Board – Annual Accounts for the Year Ended 31<sup>st</sup> March 2019

## **INDEPENDENT AUDITOR'S REPORT**

**For Draft Accounts – this page is left intentionally blank**

**APPENDIX 1: LIST OF WEBSITE LINKS – to follow**

- 1.
- 2.
- 3.
- 4.
- 5.
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- 9.
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- 11.

**WEST DUNBARTONSHIRE HEALTH & SOCIAL CARE PARTNERSHIP BOARD****AUDIT COMMITTEE: 19 JUNE 2019**

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**Subject: Audit Plan Progress Report****1. Purpose**

- 1.1** The purpose of this report is to provide an update to members on:
- The planned programme of audit work for the year 2018/19 in terms of the internal audit work undertaken at West Dunbartonshire Council and NHS Greater Glasgow and Clyde that may have an impact upon the West Dunbartonshire Health & Social Care Partnership Board;
  - The agreed actions from the review of the Partnership Board's Code of Good Governance; and
  - The agreed actions arising from the Annual Report to the IJB and the Controller of Audit for the financial year ended 31 March 2017 and 31 March 2018 from the External Auditors.

**2. Recommendations**

- 2.1** It is recommended that the Audit Committee note the progress made in relation to the Audit Plan for 2018/19 and in progressing other action plans.

**3. Background**

- 3.1** This report provides a summary to the Partnership Board of recent Internal Audit activity, within the 2018/19 Audit Plan at the Council and the Health Board which may have an impact upon the delivery of the strategic plan.
- 3.2** This report details progress in addressing actions arising from a recent audit of the review of the Partnership Board's Code of Good Governance and also the External Auditors Annual Reports for 2016/17 and 2017/18.

**4. Main Issues****Progress on Audit Plan 2018/19****West Dunbartonshire Council**

- 4.1** Since 1<sup>st</sup> April 2018, the following Internal Audit reports have been issued to the Council, which are relevant to the Partnership Board:

Audit Title	Number and Priority of Recommendations		
	High	Medium	Low
<b>Social Care Services reports:</b>			
<u>2018/19 Audit Plan:</u>			
Children with additional needs transitioning into adults	0	1	0
Charging Policy (non-residential services)	1	5	1
Investigation: Overpayment of Wages - Home Care	1	1	0
Social Work Tendering & Commissioning	0	6	1
<b>Corporate Reports:</b>			
<u>2017/18 Audit Plan:</u>			
ICT Disaster Recovery / Business Continuity Controls	0	5	2
Purchasing Card Audit	0	1	7
Payroll – Overtime	0	2	0
ICT Procurement Controls	0	0	1
ICT Remote Access Controls	0	1	1
ICT Service Desk Controls	0	0	1
Data and Information Security – Governance and Practice	0	5	4
<u>2018/19 Audit Plan:</u>			
WeBuy	0	0	4
Main Accounting	0	0	1
Balance Sheet Reconciliations	0	0	4
ICT Software Management Controls	0	0	3
ICT Device Management Controls	0	1	0
ICT Network Controls	0	2	2
Asset Management - Fleet / Review of Pool Car Usage	2	4	3

**4.2** Recommendations have timescales for completion in line with the following categories:

<b>Category</b>	<b>Expected implementation timescale</b>
<u>High Risk:</u> Material observations requiring immediate action. These require to be added to the department's risk register	Generally, implementation of recommendations should start immediately and be fully completed within three months of action plan being agreed
<u>Medium risk:</u> Significant observations requiring reasonably urgent action.	Generally, complete implementation of recommendations within six months of action plan being agreed
<u>Low risk:</u> Minor observations which require action to improve the efficiency, effectiveness and economy of operations or which otherwise require to be brought to the attention of senior management.	Generally, complete implementation of recommendations within twelve months of action plan being agreed

**4.3** For Social Care audit assignments outstanding actions from previously issued audit reports are included at Appendix 1, together with all actions from recently issued audit reports. These reports are:

- Children with additional needs transitioning into adults; and
- Charging Policy (non-residential services).

**4.4** In addition, Appendix 1 also contains information on actions arising from audits carried out within the WDC audit plan which have a potential impact on the HSCP as follows:

Recently completed audits (all actions):

- Children with additional needs transitioning into adults;
- Charging Policy (Non Residential Services);
- Investigation: Overpayment of Wages - Home Care;
- Social Work Tendering & Commissioning
- ICT Software Management Controls;
- ICT Device Management Controls;
- ICT Network Controls;
- Asset Management - Fleet / Review of Pool Car Usage.

Previously completed audits (outstanding actions):

- ICT Remote Access Controls;
- Data and Information Security – Governance and Practice; and
- Balance Sheet Reconciliations (Suspense Accounts).

- 4.5 Internal Audit will undertake follow up work to confirm the implementation of the recommendations.

#### NHS Greater Glasgow and Clyde

- 4.6 Internal Audit reports which have recently been issued to the NHS Greater Glasgow & Clyde are included at Appendix 2.

- 4.7 These audits are all from the 2018/19 audit plan and are the most recently available.

#### Follow up work

- 4.8 Internal Audit undertakes follow up work to confirm the implementation of high risk and a sample of medium risk recommendations. The results of this follow up work are reported to the HSCP Audit Committee with any matters of concern being drawn to the attention of this Committee.

#### Local Code of Good Governance

- 4.9 In addition to the reviews referred to above, reviews have been carried out on the Partnership Board's Local Code of Good Governance and progress on the actions arising is included at Appendix 3.

#### External Auditors Annual Report 2017/18

- 4.10 Progress on actions arising External Auditors Annual Report for 2017/18 is also included within Appendix 3.

### **5. People Implications**

- 5.1 There are no personnel issues with this report.

### **6. Financial Implications**

- 6.1 There are no financial implications with this report.

### **7. Risk Analysis**

- 7.1 The Plan has been constructed taking cognisance of the risks associated with major systems. Consultation with Senior Managers was carried out to ensure that risks associated with delivering strategic objectives have been considered.

### **8. Equalities Impact Assessment (EIA)**

- 8.1 There are no issues.



## **9. Environmental Impact Assessment**

**9.1** There are no issues.

## **10. Consultation**

**10.1** This report has been prepared in consultation between the Partnership Board's Chief Internal Auditor, James Hobson, Assistant Director of Finance (NHS Greater Glasgow and Clyde), Julie Slavin (Chief Financial Officer, West Dunbartonshire Health and Social Care Partnership) and Stephen West (Strategic Lead – Resources, West Dunbartonshire Council).

## **11. Strategic Assessment**

**11.1** The establishment of a robust audit plan will assist in assessing whether the Partnership Board and Officers have established proper governance and control arrangements which contribute to the achievement of the strategic priorities of the HSCP Strategic Plan.

**Author:** **Colin McDougall**  
**Chief Internal Auditor – Health & Social Care Partnership Board**

**Date:** **10 June 2019**

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**Person to Contact:** Colin McDougall, Audit and Risk Manager  
West Dunbartonshire Council  
Telephone 01389 737436  
E-mail – colin.mcdougall@west-dunbarton.gov.uk

**Appendices:** Appendix 1: Internal Audit Reports – WDC Internal Audit Team

Appendix 2: NHSGGC Internal Audit Reports

Appendix 3: WDHSCP - Internal Audit Reports / External Audit Reports






**Background Papers:** None



## Appendix 1


### Appendix 1: Internal Audit Reports – WDC Internal Audit Team

Generated on: 07 June 2019

Action Status	
	Cancelled
	Overdue; Neglected
	Unassigned; Check Progress
	Not Started; In Progress; Assigned
	Completed


### Social Care Services Reports


#### Project 150. Children with additional needs transitioning into adults (Report Issued May 2019)



Action Code	Recommendation	Agreed Action	Status	Progress Bar	Original Due Date of Action	Actual Due Date of Action	Assigned To	Managed By	Note
T&PSR/IAAP/718	<p><u>1. Sharing of information</u> The audit highlighted that there is a gap in exchanging information. The Adult Services require a significant amount of information across Specialist Children's Health Services (NHS), Education Services, the relevant children services (HSCP) and other professionals to</p>	It is essential that there is a full exchange of information between teams and educational colleagues as part of the transitions process from Children to Adult services. This will ensure that the receiving team is fully aware of any behaviours, associated triggers and management		<div style="width: 80%; background-color: #4F81BD; height: 10px; border: 1px solid black;"></div> 80%	30-Jun-2019	30-Jun-2019	Jonathan Hinds; Julie Lusk	Beth Culshaw	Plan in place to give adult EMIS Web users read only access to the young person's health records. Access should be arranged by the end of June 2019.


Action Code	Recommendation	Agreed Action	Status	Progress Bar	Original Due Date of Action	Actual Due Date of Action	Assigned To	Managed By	Note
	ensure a fully comprehensive future plan is in place for all children entering Adult Services. It is recommended that required information is shared between the Children's service, Educational Psychology and the Adult services in order to ensure effective transitions of the children with additional needs into Adult Services.  (Medium Risk)	techniques that would assist and reduce any risk and stress to either the young person or the receiving team/service.							






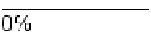
**Project 154. Charging Policy - Non Residential Services (Report Issued May 2019)**

Action Code	Recommendation	Agreed Action	Status	Progress Bar	Original Due Date of Action	Actual Due Date of Action	Assigned To	Managed By	Note
T&PSR/IAAP/732	<u>1. Financial Assessments Not Located/Provided</u> Service areas should ensure that it is built into their processes that Financial Assessment reviews are undertaken on an annual basis as this does not appear to be happening as standard. In addition, record keeping needs to be improved.  (High Risk)	The Head of Service will issue an instruction to Integrated operational Managers on the requirement to undertake a Financial Assessment as part of the initial assessment of care and also that this should be reviewed annually. Evidence should also be retained to verify that this has been done.		<div style="border: 1px solid black; width: 100px; height: 15px; position: relative;"><div style="width: 0%; height: 100%; position: absolute; left: 0;"></div><span style="position: absolute; bottom: 0; left: 50%; transform: translate(-50%, 0);">0%</span></div>	30-Sep-2019	30-Sep-2019	Jo Gibson; Jonathan Hinds; Wendy Jack; Julie Lusk	Beth Culshaw	

Action Code	Recommendation	Agreed Action	Status	Progress Bar	Original Due Date of Action	Actual Due Date of Action	Assigned To	Managed By	Note
		The HSCP SMT has agreed that an Extended Management Team session will be held around the operational responsibilities of social care staff.							
T&PSR/IAAP/733	<p><u>2. Lack of Centralised / Service Based Records</u> While Carefirst should contain a record of all individuals receiving social care services, the recording of care charges and financial assessments was not available. In this regard, it is recommended that until the information is available and held centrally within Carefirst that all services prepare and maintain a list of all clients within their service area, this should include the service received and whether the client is charged or not.</p> <p>(Medium Risk)</p>	<p>Carefirst is the primary care management system for all community health and care clients. As such all clients in receipt of a service will have a Carefirst record. However there is an acknowledgment that there requires a cleansing of the volume of information held and an assessment as to the consistency of input across different services.</p> <p>Some services hold the financial assessment as a separate excel spreadsheet that has not been uploaded onto Carefirst e.g. Blue Badges.</p> <p>The HSCP SMT has agreed that an Extended Management Team</p>		0%	30-Sep-2019	30-Sep-2019	Jo Gibson; Jonathan Hinds; Wendy Jack; Julie Lusk	Beth Culshaw	

Action Code	Recommendation	Agreed Action	Status	Progress Bar	Original Due Date of Action	Actual Due Date of Action	Assigned To	Managed By	Note
		<p>session will be held around the operational responsibilities of social care staff.</p> <p>In the interim a template has been issued to all operational managers to complete to list all service users currently in receipt of a service, detailing when last reviewed (including financial assessment) and also the personal care element.</p>							
T&PSR/IAAP/734	<p><u>3. Evidence of Benefits</u></p> <p>When carrying out Financial Assessments, verification of the clients Benefits/Income/Capital should be carried out, this verification should be retained as evidence to the assessment. Alternatively, consideration should be given to accessing/sharing information from the IWorld Benefits system as this is verified/evidenced information which would also ensure that the client is only being asked once for the information.</p>	<p>The revised Charging Policy will stress that evidence must be provided and retained to allow for a robust financial assessment to be undertaken. If service user refuses then the full charge will be applied. This will be detailed within the financial assessment.</p> <p>IWorld access to be given to members of staff currently carrying out Financial Assessments for Residential Placements. Extending this will be considered where appropriate.</p>			30-Aug-2019	30-Aug-2019	Jonathan Hinds; Wendy Jack	Beth Culshaw	





Action Code	Recommendation	Agreed Action	Status	Progress Bar	Original Due Date of Action	Actual Due Date of Action	Assigned To	Managed By	Note
	(Medium Risk)								
T&PSR/IAAP/735	<p><u>4. Charging Policy</u> As the Community Based Care Charging Policy - Non Residential Services has not been reviewed for at least eight years and as some parts of the policy requires to be more generic and other parts require to be more specific, it is recommended that the policy be fully reviewed and revised. This will therefore provide more clarity, eliminate ambiguity and make it fit for purpose. It is also recommended that all services be included in the review to ensure input from all areas. In addition, once reviewed, the date of the revision should be recorded on the policy to ensure that there is proper version control.</p>	<p>A Charging Policy Review Group has been established on 7th Jan with meetings scheduled for every 2 weeks until end of June. The group includes all Heads of Service, the CFO, some Integrated Ops Managers and social care accountant. The draft Terms of Reference were considered at the 2nd meeting and agreement was reached between HoS about seconding a social worker to support the process. The review will consider the impacts of new Carers Act and Free Personal Care for Under 65 as well as Self Directed Support duties. It will also address the current anomalies/inequities between service users and opportunities to maximise charging in the context of the council's Commercialisation Policy – but within COSLA Guidance. Personal care is defined in legislation.</p>		<hr/> <hr/> 0% <hr/> <hr/>	31-Aug-2019	31-Aug-2019	Jonathan Hinds	Beth Culshaw	

Action Code	Recommendation	Agreed Action	Status	Progress Bar	Original Due Date of Action	Actual Due Date of Action	Assigned To	Managed By	Note
		A simple "service user guide" to non-residential charges can be added to the website/leaflet for distribution.							
T&PSR/IAAP/736	<u>5. Incorrect Form Used</u> The Care at Home Service should use the standard Financial Assessment form for all financial assessments with immediate effect. (Medium Risk)	Agreed and implemented.			30-Jun-2019	30-Jun-2019	Lynne McKnight	Jo Gibson	Standard financial assessment form implemented.
T&PSR/IAAP/737	<u>6. Meals on Wheels Billing</u> It is recommended that the billing for Meals on Wheels clients in both Dumbarton and Clydebank areas is checked to confirm that they are being billed correctly, thus ensuring maximisation of income and budgetary control. (Medium Risk)	Agreed. All billing for Meals & wheels clients will be checked to confirm that clients have been billed correctly.			30-Jun-2019	30-Jun-2019	Lynne McKnight	Jo Gibson	Process reviewed, updated and implemented.
T&PSR/IAAP/738	<u>7. Billing Set Up</u> It is recommended that services take responsibility for setting up billing/adjustments for their own client groups. Alternatively, consideration should be given to centralising	This will require to be scoped and considered within the current review of the HSCP Senior Management Team and the team structure below, against the challenge			30-Sep-2019	30-Sep-2019	Jo Gibson; Jonathan Hinds; Wendy Jack; Julie Lusk	Beth Culshaw	



Action Code	Recommendation	Agreed Action	Status	Progress Bar	Original Due Date of Action	Actual Due Date of Action	Assigned To	Managed By	Note
	this process which would ensure a consistent approach across all services. (Low Risk)	of decreasing budget resources.							

**Project 156. Investigation: Overpayment of Wages - Home Care (Report Issued 4 June 2019)**

Action Code	Recommendation	Agreed Action	Status	Progress Bar	Original Due Date of Action	Actual Due Date of Action	Assigned To	Managed By	Note
T&PSR/IAAP/757	<u>1. Annual Payroll Check</u> Management within Home Care should ensure that a robust process continues to be put in place for the annual employee check.  (High Risk)	Initial crossmatch will now be carried out by first line managers, who have responsibility for 25 – 30 staff in their patch, before additional check by at senior level by managers, and final authorisation by Head of Service.			30-Jun-2019	30-Jun-2019	Jo Gibson; Lynne McKnight	Beth Culshaw	Action implemented. Anomalies to be reconciled prior to final establishment sign off at senior level. Will be completed by end June.
T&PSR/IAAP/758	<u>2. Use of Technology</u> Management should explore further development of functionality within the CM2000 system, in terms of there being an opportunity to match CM2000 activity against live payroll records using a common field between the two systems.  (Medium Risk)	Crossmatch of CM2000 with payroll records will be programmed quarterly. Each post now has a unique employee number which will facilitate this exercise.			30-Jun-2019	30-Jun-2019	Lynne McKnight	Jo Gibson	Complete.


**Project 157: Social Work Tendering & Commissioning (Report Issued 7 June 2019)**


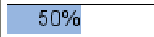


Action Code	Recommendation	Agreed Action	Original Due Date of Action	Actual Due Date of Action	Assigned To	Managed By
T&PSR/IAAP/759	<p><u>1. Monitoring of Pipeline &amp; Priorities</u> The agreed pipeline should be monitored on a regular basis with priorities being re-assessed as appropriate.</p> <p>(Medium Risk)</p>	CPU will attend the HSCP management teams on a regular basis to monitor progress on the pipeline and to continue to focus on ongoing prioritisation.	31-Aug-2019	31-Aug-2019	Jo Gibson; Jonathan Hinds; Wendy Jack; Julie Lusk	Beth Culshaw
T&PSR/IAAP/760	<p><u>2. Resources Allocation Meetings</u> (a) It may be helpful for the CPU attend some of the resource allocation meetings to establish ways they could work more collaboratively and if tools such as frameworks could be used.</p> <p>(b) Minutes should be taken at all such meetings in order to show the rationale of procurement decisions. In addition these notes should be included in service users' files.</p> <p>(Medium Risk)</p>	<p>(a) It would be beneficial for the CPU to have insight into the Resource Allocation Meetings process, but only with regard to the type of provider and service type required.</p> <p>(b) Rather than a full minute there will be a Decisions Summary produced after every meeting which will be distributed to both CPU and HSCP Finance Team.</p>	30-Sep-2019	30-Sep-2019	Kirsteen McLennan; Robert MacFarlane; Annie Ritchie	Julie Lusk
T&PSR/IAAP/761	<p><u>3. Frameworks Compliance</u> The full process needs to be followed in order for the procurement to be compliant, service areas should familiarise themselves with the regulations and follow accordingly.</p> <p>(Medium Risk)</p>	IPAs (Individual Placement Agreements) / ISPs (Individual Support Plans) are completed for all older people and the quality has already been checked by CPU and agreed to be compliant. A process has been agreed with CPU that all IPAs / ISPs will be sent and a new procurement request form will only be required when the provider is new to WDHSCP.	31-Aug-2019	31-Aug-2019	Kirsteen McLennan Wendy Jack; Robert MacFarlane	Beth Culshaw; Julie Lusk
T&PSR/IAAP/762	<p><u>4. Monitoring Providers</u> All monitoring should follow the procedures and be consistent across the partnership.</p> <p>(Medium Risk)</p>	Our review of commissioning and quality within the HSCP will ensure that a consistent monitoring approach will be developed across services. This will include a review of the functions within the Quality Assurance Team, in tandem with a review of the HSCP SMT structure.	31-Dec-2019	31-Dec-2019	Wendy Jack	Beth Culshaw
T&PSR/IAAP/763	<p><u>5. Checks on Audited Accounts of Providers</u> A process should be introduced for the</p>	This is will be implemented as part of the consistent monitoring approach noted at action point 4. In addition Scotland Excel monitor the	31-Aug-2019	31-Aug-2019	Wendy Jack; Julie Slavin	Beth Culshaw

Action Code	Recommendation	Agreed Action	Original Due Date of Action	Actual Due Date of Action	Assigned To	Managed By
	ongoing review of the financial accounts of our providers. (Medium Risk)	position of providers on their frameworks. Also, as the pipeline priorities are worked through requests will be made to providers to submit their latest audited accounts for review.				
T&PSR/IAAP/764	<u>6. Use of Providers Not Through Frameworks</u> Service areas should consider ways to bring historical placements on contract in conjunction with the CPU. (Medium Risk)	We will work through the pipeline priorities in order to maximise the level of compliance.	31-Mar-2020	31-Mar-2020	Jo Gibson; Jonathan Hinds; Wendy Jack; Julie Lusk	Beth Culshaw
T&PSR/IAAP/765	<u>7. Procurement Request Form Training</u> Further training should be provided as necessary so services areas know how to initiate the procurement process through the use of the Procurement Request Form. (Low Risk)	At a recent meeting with CPU and Strategic Lead Resources it was agreed that a simple flowchart would be produced to aid managers and budget holders in following the appropriate procurement route, including the "full life" cost of a placement.	31-Dec-2019	31-Dec-2019	Kirsteen McLennan; Robert MacFarlane; Annie Ritchie; Hazel Kelly	Julie Lusk


## Corporate Reports

### **Project 146. ICT Software Licence Controls (Report Issued April 2019)**



Action Code	Recommendation	Agreed Action	Status	Progress Bar	Original Due Date of Action	Actual Due Date of Action	Assigned To	Managed By	Note
T&PSR/IAAP/707	<u>1. Maintain a current view of corporate Licence estate</u> Management across the Council should continue, with the assistance of WDC ICT to review the processes for managing the Non-standard licence estate on an annual basis. (Low Risk)	Agreed that ICT will annually check licenses and software with service areas.		<div style="border: 1px solid black; width: 100px; height: 15px; position: relative;"><div style="width: 0%; height: 100%; background-color: #ccc; position: absolute;"></div></div> 0%	31-Oct-2019	31-Oct-2019	James Gallacher; Patricia Kerr	Victoria Rogers	May 19. Process in place for corporate systems. Review needed relating to desktop software which is included in Win10 upgrade project. On target for delivery..



Action Code	Recommendation	Agreed Action	Status	Progress Bar	Original Due Date of Action	Actual Due Date of Action	Assigned To	Managed By	Note
T&PSR/IAAP/708	<p><u>2. Lack of pro-active checks on software</u> In keeping with actions itemised in the external review and report to PAMG, ICT Management should introduce additional processes to pro-actively monitor the software estate, particularly non standard software, thereby reducing the risk of the Council utilising un-licensed software or having un-used software deployed whilst continuing to incur unnecessary costs.</p> <p>(Low Risk)</p>	Application roadmap is currently being implemented and will be extended to include non standard software.			30-Jun-2019	30-Jun-2019	Patricia Kerr	Victoria Rogers	May 19. Report of installed applications available and forms part of Win 10 upgrade project. There have been some staffing changes within ICT which may impact the delivery of this action within the original target timescale. Draft process has been developed for feedback.
T&PSR/IAAP/709	<p><u>3. Align Software management and device management processes</u> ICT Management should take steps to align the software management and device management processes through an annual review Note: This action also appears as an action on the device management audit.</p> <p>(Low Risk)</p>	Review available Reports (e.g. SCCM, AD and Greenbone) to improve the software inventory detail available to improve patch and license management processes.			31-Mar-2020	31-Mar-2020	James Gallacher; Patricia Kerr	Victoria Rogers	May 19. Work has started on reviewing available reports.

**Project 147. ICT Device Management Controls (Report Issued April 2019)**

Action Code	Recommendation	Agreed Action	Status	Progress Bar	Original Due Date of Action	Actual Due Date of Action	Assigned To	Managed By	Note
T&PSR/IAAP/714	<p><u>1. Identify the location/assigned user of every device throughout the council</u> Management should undertake to identify the location/assigned user of every device in the Council and maintain a clear inventory going forward, with regular updates and reviews performed.</p> <p>(Medium Risk)</p>	SCCM Reporting Tool can provide location and user details for all devices in the Council desktop estate. Reports will be scheduled on a monthly basis or more frequently if required. Initial Report 4/3/19. Monthly Reports will then be run on first Monday of every month. Complete.		<div style="width: 100%;"><div style="background-color: #4F81BD; height: 10px; width: 100%;"></div></div> 100%	31-Mar-2019	31-Mar-2019	Patricia Kerr	Victoria Rogers	report produced to show location of all devices.

**Project 148. ICT Network Controls (Report Issued April 2019)**


Action Code	Recommendation	Agreed Action	Status	Progress Bar	Original Due Date of Action	Actual Due Date of Action	Assigned To	Managed By	Note
T&PSR/IAAP/710	<p><u>1. Review process documentation in line with the external IT review recommendation</u> Management should oversee the addition of process documents to compliment the build documents and policies existing already.</p> <p>(Low Risk)</p>	Change control process has been updated to include firewall changes and associated documentation		<div style="width: 100%;"><div style="background-color: #4F81BD; height: 10px; width: 100%;"></div></div> 100%	30-Nov-2018	30-Nov-2018	Patricia Kerr	Victoria Rogers	Documentation reviewed and updated.
T&PSR/IAAP/711	<p><u>2. Ensure staff training is consolidated with hands on work</u> Management should put in place processes to</p>	This is part of normal staff management process Training, staff development and progression all follow		<div style="width: 100%;"><div style="background-color: #4F81BD; height: 10px; width: 100%;"></div></div> 100%	04-Feb-2019	04-Feb-2019	Patricia Kerr	Patricia Kerr	Completed during the life of the audit with evidence able to be provided to demonstrate that

Action Code	Recommendation	Agreed Action	Status	Progress Bar	Original Due Date of Action	Actual Due Date of Action	Assigned To	Managed By	Note
	ensure that staff consolidate the training they receive when they return to the workplace, this is particularly true in the case of training courses on complex equipment / software.  (Medium Risk)	part of BTB conversations and team meetings. Weekly meetings within teams to discuss and deliver technology overviews and also shadowing system in place. This action is now complete							training was given and being utilised.
T&PSR/IAAP/712	<u>3. Ensure a comprehensive document set is included in the VoIP upgrade process</u> Management should ensure that a comprehensive suite of documents is handed over/created as part of the VoIP upgrade currently underway  (Low Risk)	Full documentation of the system is part of the upgrade and handover process that is due for completion by 31 March 2019. This includes full resilience testing which was originally part of the ICT Modernisation programme and for which a retention sum is being held by WDC.		<div style="border: 1px solid black; width: 100%; height: 100%;"><div style="border: 1px solid black; width: 0%; height: 100%;"></div></div> 0%	30-Jun-2019	30-Jun-2019	Patricia Kerr	Victoria Rogers	May 19. Upgrade in progress and documentation will follow. Some technical challenges encountered during the upgrade and awaiting supplier update on whether delivery date still achievable.
T&PSR/IAAP/713	<u>4. The externally sourced review suggested a number of actions relating to the Network area</u> The external review suggested multiple recommendations across all areas of the ICT service., these have been considered by ICT management, some of which are not relevant to the WDC ICT service design, however, where recommendations were relevant, ICT have	An initial action plan was developed and featured within the PAMG report plus a commitment that 'The recommendations will continue to be reviewed and assessed and further actions identified as priorities and resource allow'. This action plan detailed the agreed actions within the Service review and their associated remediation.		<div style="border: 1px solid black; width: 100%; height: 100%;"><div style="background-color: #4F81BD; border: 1px solid black; width: 100%; height: 100%;"></div></div> 100%	30-Apr-2019	30-Apr-2019	Patricia Kerr	Patricia Kerr	Included as part of annual ICT service planning process e.g. Capacity management - Quality of Service Management and review of the roll-out of VOIP vs other options.

Action Code	Recommendation	Agreed Action	Status	Progress Bar	Original Due Date of Action	Actual Due Date of Action	Assigned To	Managed By	Note
	committed to implement on a prioritised basis and as resources allow.  (Medium Risk)								


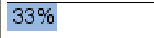
**Project 155. Asset Management - Fleet / Review of Pool Car Usage (Report Issued May 2019)**




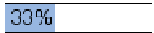

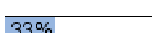
Action Code	Recommendation	Agreed Action	Status	Progress Bar	Original Due Date of Action	Actual Due Date of Action	Assigned To	Managed By	Note
T&PSR/IAAP/739	<p><u>1. Review of Electric Pool Car Project</u> A detailed review of the current use of the 10 electric cars is required to ensure the existing cars are used to their maximum. This would include the possibility of increasing the number of staff included on the list of pool car users. The review should also ensure that future pool car purchases provide 'best value for money' to the Council.</p> <p>(High Risk)</p>	Achieving the maximum diversion of reimbursable business mileage to pool car mileage is dependent on departmental line management declining to approve mileage claims for the staff assigned to use pool cars. A review of the business mileage claims made in 2018/19 is expected to identify additional staff, based at 16 Church Street, and Aurora House offices, for assignment to pool car only use for business travel.			30-Aug-2019	30-Aug-2019	Peter Barry; Peter Hessett; Jonathan Hinds; Julie Lusk; Jim McAloon; Rodney Thornton	Richard Cairns; Beth Culshaw; Angela Wilson	This action has seven milestones, one of which is complete.
T&PSR/IAAP/740	<p><u>2. Mileage Claims</u> It is recommended that Service Managers ensure that:</p> <ul style="list-style-type: none"> <li>(a) Staff make bookings for cars as soon as it is known a</li> </ul>	Service Managers will remind pool car users: <ul style="list-style-type: none"> <li>(a) To plan usage of pool cars in advance; and</li> </ul>			30-Jun-2019	30-Jun-2019	Peter Barry; Richard Cairns; Peter Hessett; Jonathan Hinds; Julie Lusk; Jim McAloon	Richard Cairns; Beth Culshaw; Angela Wilson	This action has six milestones, two of which are complete.

Action Code	Recommendation	Agreed Action	Status	Progress Bar	Original Due Date of Action	Actual Due Date of Action	Assigned To	Managed By	Note
	<p>car is required to match their planned work and</p> <ul style="list-style-type: none"> <li>(b) Staff use their own car and claim mileage only in exceptional circumstances which requires advanced authorisation from their line manager.</li> </ul> <p>(Medium Risk)</p>	(b) That they can only use the own car for Council business in exceptional circumstances and with the prior approval of their manager.							
T&PSR/IAAP/741	<p><u>3. Bridge Street Users</u> It is recommended that Service Managers of Bridge Street users ensure that:</p> <ul style="list-style-type: none"> <li>(a) Staff do not block book cars in advance to allow greater availability for all authorised staff to book cars;</li> <li>(b) Staff should on returning pool cars at the end of each day, deposit the car keys in a predetermined secure location within Council premises; and</li> <li>(c) Staff should not book cars if they are on</li> </ul>	<p>Service Managers of pool car users based at Bridge Street will remind their staff:</p> <ul style="list-style-type: none"> <li>(a) Not to block book pool cars in advance to allow greater availability for all authorised staff to book cars;</li> <li>(b) Pool car keys should be deposited in the pre-determined secure location at the end of each day when pool car is returned; and</li> <li>(c) Pool car users should not book cars for periods when they</li> </ul>		<div style="border-bottom: 1px solid black; width: 100px; height: 10px; margin-bottom: 5px;"></div> 0%	30-Jun-2019	30-Jun-2019	Richard Cairns; Jim McAloon	Richard Cairns	





Action Code	Recommendation	Agreed Action	Status	Progress Bar	Original Due Date of Action	Actual Due Date of Action	Assigned To	Managed By	Note
	annual leave. (Medium Risk)	are due annual leave.							
T&PSR/IAAP/742	<p><u>4. Unused Electric Pool Car Bookings</u> Service Managers should remind pool car users that:</p> <ul style="list-style-type: none"> <li>• (a) they should only make car bookings for the dates and times when they have confirmed that they will require a car; and</li> <li>• (b) once they become aware that they will not require a car previously booked, should immediately cancel that booking.</li> </ul> <p>(Medium Risk)</p>	<p>Service Managers will remind pool car users</p> <ul style="list-style-type: none"> <li>• (a) Only book pool cars for dates and times they have confirmed they will require the car; and</li> <li>(b) Pool car bookings no longer required should be cancelled immediately.</li> </ul>		<div style="border: 1px solid black; width: 100px; height: 15px; background-color: #cccccc; position: relative;"><div style="background-color: #0070c0; width: 33%;"></div><span style="position: absolute; right: 5px; top: 50%; transform: translateY(-50%); font-size: 10px;">33%</span></div>	30-Jun-2019	30-Jun-2019	Peter Barry; Richard Cairns; Peter Hessett; Jonathan Hinds; Julie Lusk; Jim McAloon	Richard Cairns; Angela Wilson	This action has six milestones, two of which are complete.
T&PSR/IAAP/743	<p><u>5. Fleet &amp; Waste Services Documentation Requirements</u></p> <ul style="list-style-type: none"> <li>• (a) The Fleet &amp; Waste Services Manager should provide Service Managers with a copy of the list of pool car users on an annual basis. Included with the list should be an instruction to Line Managers that staff included on the</li> </ul>	<p>(a) Service Managers will be provided with a list of their staff members who are assigned to pool car use for business travel; and</p> <p>(b) Log books will be inspected and replenished as required as part of the planned annual pool cars service visits to</p>		<div style="border: 1px solid black; width: 100px; height: 15px; background-color: #cccccc; position: relative;"><div style="background-color: #0070c0; width: 0%;"></div><span style="position: absolute; right: 5px; top: 50%; transform: translateY(-50%); font-size: 10px;">0%</span></div>	30-Aug-2019	30-Aug-2019	Rodney Thornton	Richard Cairns	

Action Code	Recommendation	Agreed Action	Status	Progress Bar	Original Due Date of Action	Actual Due Date of Action	Assigned To	Managed By	Note
	<p>Pool Car User List should be notified of their inclusion to the list; and</p> <ul style="list-style-type: none"> <li>• (b) The Fleet &amp; Waste Service as part of their maintenance should ensure all pool car log books are of a standard that enables car users to complete details of all journeys made.</li> </ul> <p>(Medium Risk)</p>	the vehicle maintenance workshops .							
T&PSR/IAAP/744	<p><u>6. Pool Car Booking Details</u> Service Managers should remind staff that:</p> <ul style="list-style-type: none"> <li>• (a) All bookings made should include a description of the reason for the booking;</li> <li>(b) Administration staff making pool car bookings on behalf of other staff members should include the name of the person who is going to use the car.</li> </ul> <p>(Low Risk)</p>	<p>Service Managers will remind pool car users that:</p> <ul style="list-style-type: none"> <li>• (a) All bookings should include a description of the reason for the booking; and</li> <li>(b) The name of the person who is to use the pool car should be included with all bookings of pool cars.</li> </ul>			30-Jun-2019	30-Jun-2019	Peter Barry; Richard Cairns; Peter Hessett; Jonathan Hinds; Julie Lusk; Jim McAloon	Richard Cairns; Beth Culshaw; Angela Wilson	This action has six milestones, two of which are complete.

T&PSR/IAAP/745	<p><u>7. Logbooks</u> Service Managers should inform pool car users that they must fill in details of all journeys made in the log books provided in each pool car.</p> <p>(Low Risk)</p>	Service Managers will remind all pool car users of the requirement to fill in details of all journeys made in the log books in each pool car.			30-Jun-2019	30-Jun-2019	Peter Barry; Richard Cairns; Peter Hessett; Jonathan Hinds; Julie Lusk; Jim McAloon	Richard Cairns; Beth Culshaw; Angela Wilson	This action has six milestones, two of which are complete.
T&PSR/IAAP/746	<p><u>8. Short Journeys</u> Service managers whose staff have access to pool cars should remind relevant staff of the Council's policy regarding the making of short journeys of less than one mile (including the option of walking). In accordance with the Travel and Subsistence Scheme, staff "should be actively discouraged from using a car to travel distances of less than one mile (15-20 minutes) unless in exceptional circumstances (e.g. to carry heavy equipment or staff with mobility impairments)".</p> <p>(Low Risk)</p>	Strategic Leads will ensure all staff are aware of the Council's Travel and Subsistence Scheme. Managers will be reminded to discourage from using their car for short journeys unless it is essential to enable them to carry out their work.			30-Jun-2019	30-Jun-2019	Peter Barry; Richard Cairns; Peter Hessett; Jonathan Hinds; Julie Lusk; Jim McAloon	Richard Cairns; Beth Culshaw; Angela Wilson	This action has six milestones, two of which are complete.
T&PSR/IAAP/747	<p><u>9. Managers' Responsibility</u> It is the responsibility of all managers of staff who should be using pool cars to ensure that</p>	All Managers of pool car users will be reminded that it is their responsibility to monitor the usage of pool car by their staff.			30-Jun-2019	30-Jun-2019	Peter Barry; Richard Cairns; Peter Hessett; Jonathan Hinds; Julie Lusk; Jim McAloon	Richard Cairns; Beth Culshaw; Angela Wilson	This action has six milestones, two of which are complete.

	relevant staff use the pool cars appropriately. This includes monitoring all mileage claims of pool car users and ensuring all relevant staff are aware of procedures and guidance for the use of pool cars.  (High Risk)	This includes monitoring all mileage claims made by nominated pool car users.							
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**Project 131. ICT Remote Access Controls (Report Issued May 2018)**

Action Code	Recommendation	Agreed Action	Status	Progress Bar	Original Due Date of Action	Actual Due Date of Action	Assigned To	Managed By	Note
T&PSR/IAAP/613	<p><u>1. Data handling Terms and Conditions required for 3rd party access to WDC information</u> Management should develop a standard 3rd party suite of data handling terms and conditions to protect WDC information whilst 3rd party vendors carry out support activities.</p> <p>(Medium Risk)</p>	ICT will assist Legal Services in the development data handling terms and conditions.			30-Sep-2018	30-Apr-2019	Alan Douglas; James Gallacher; Iain Kerr; Patricia Kerr	Peter Hessett; Victoria Rogers	<p>Terms and Conditions regarding <i>Data Protection</i> and <i>Data Handling and Security</i> have been drafted.</p> <p>The Council continues to trial the Scottish Government ICT Procurement Toolkit which will assist in identifying, on a case by case basis, the key security deliverables to which the terms and conditions apply.</p>

**Project 133. Data and Information Security – Governance and Practice (Report Issued May 2018)**

Action Code	Recommendation	Agreed Action	Status	Progress Bar	Original Due Date of Action	Actual Due Date of Action	Assigned To	Managed By	Note
T&PSR/IAAP/622	<p><u>7. Update required to Acceptable Use Policy</u> The Council's Acceptable Use Policy (AUP) should be reviewed and updated.  (Low Risk)</p>	The AUP will be reviewed as an Information Security policy, taking into account changes in working practices and legislation since the last review, input will be required from ICT, Legal and possibly procurement.			31-Mar-2019	31-Aug-2019	Iain Kerr	Patricia Kerr	Policy being updated developed for submission to ICT Steering Board.

**Project 144. Balance Sheet Reconciliations (Suspense Accounts) (Report Issued March 2019)**

Action Code	Recommendation	Agreed Action	Status	Progress Bar	Original Due Date of Action	Actual Due Date of Action	Assigned To	Managed By	Note
T&PSR/IAAP/686	<p><u>4. Absence Cover</u> Management should ensure that all members of the Reconciliation Team are familiar with all reconciliations undertaken. This would ensure that each member of the team has the knowledge to complete any of the planned reconciliations in the absence of team members. This could be achieved by rotating team members across the different reconciliations prepared.  (Low Risk)</p>	Staff will be rotated different reconciliations following the year end. Rotation will continue on a two year cycle thereafter. Management will prioritise high risk/high value reconciliations during times when staffing levels are limited. Guidance notes are available for all reconciliations. Management will ensure these guidance notes are reviewed on a regular basis.			31-Aug-2019	31-Aug-2019	Gillian McNeilly	Stephen West	Reconciliations staff will be rotated to different reconciliations following the accountancy year end (i.e. completion of the draft financial statements)



## NHS Greater Glasgow and Clyde

### Internal Audit Activity Report for Integration Joint Boards – June 2019

#### 1. Background

Integration Joint Boards direct both NHS Greater Glasgow and Clyde and the local authority to deliver services that enable the Integration Joint Board to deliver on its strategic plan.

Both NHS Greater Glasgow and Clyde and the local authority have internal audit functions that conduct audits across each organisation and report the findings of these to the respective audit committees.

Members of the Integration Joint Board have an interest in the outcomes of audits at both NHS Greater Glasgow and Clyde and the local authority that have an impact upon the Integration Joint Board's ability to deliver the strategic plan.

This report provides a summary for the Integration Joint Board of the internal audit activity within NHSGGC which has an impact upon the delivery of the strategic plan.

#### 2. Summary of internal audit reviews

2.1 The table below sets out the reports that have been presented to the NHSGGC Audit and Risk Committee during the 2018-19 audit year.

Three reports are rated "Amber". Full definitions for the colour coding and the grading structure are set out below.

Scott-Moncrieff will present their annual report at the Audit and Risk Committee meeting on Tuesday, 18 June 2019.

Review	Audit rating	No of issues per grading			
		Red	Amber	Yellow	Green
A.1 Strategic Planning Alignment	N/A (consultancy report)	-	-	-	-
B.1 Financial Systems Health Check	Minor improvement required	-	-	9	1
B.2 Financial Planning – Financial Improvement Programme	Minor improvement required	-	-	3	2
B.3 Payroll	Substantial Improvement Required	-	2	3	2
D.1 Sickness Absence	Substantial Improvement Required	-	5	1	1
D.5 Other Leave	Minor improvement required	-	-	3	-
E.2 Digital Strategy	Minor improvement required	-	-	2	-
F.1 Governance statement readiness	Effective	-	-	-	1
F.3 Property transaction monitoring	Minor improvement required	-	-	2	-
A.5 Capacity planning	Minor improvement required	-	-	2	1
A.7 Performance reporting	Substantial Improvement Required	-	2	2	-
C.1 HSMR	Minor improvement required	-	-	3	-
D.6 Nurse rostering	Minor improvement required	-	1	4	-
E.1 GDPR compliance	Minor improvement required	-	1	1	1
E.4 Information sharing	Minor improvement required	-	-	3	1
F.2 Waiting times	Effective	-	-	-	1

The amber rated reports are as follows:

## **2.2 Payroll**

The review has identified a number of weaknesses within NHS Greater Glasgow and Clyde's payroll procedures. These cover a number of different areas including the processing of amendments, staff bank payments, medical on-call supplements and Waiting List Initiative sessions. The capabilities of the new HR system, eESS, will help the Board address many of the recommendations raised in this report and should also improve the efficiency of the payroll processes.

The findings included in the management action plan have been agreed with the audit contacts and sponsor. A timeline for the completion of actions has also been agreed, which will be followed-up as part of their quarterly follow-up process.

## **2.3 Performance Reporting**

The performance management arrangements in place within NHSGGC reflect good practice in many areas, however there is significant room for improvement in some respects. NHSGGC has an 'Interim Annual Plan' in place for 2018/19 that sets out the health board's objectives for the year. This plan was put in place as an interim measure following the Scottish Government's suspension of the Annual Delivery Plan process and in recognition of the impact that Moving Forward Together will have in shaping the strategic agenda. The plan is supplemented by a performance management plan that contains supporting actions and targets for measuring delivery of those objectives. The objectives and targets identified provide adequate coverage over the main activities of the health board and comprise an appropriate mix of qualitative and quantitative indicators. This enables NHSGGC to monitor their performance throughout the current year. We have however, identified significant enhancements that can be made to the performance management process to improve how performance against objectives is measured and reported. Scott-Moncrieff recommend that NHSGGC produce a comprehensive performance framework to ensure organisation-wide performance is robustly measured and reported on. This includes ensuring all targets are SMART and contain adequate detail around how they will be delivered. This framework should support the production of performance reports that provide substantial assurance to the NHSGGC Board and minimise the current reporting duplication across the organisation.

The findings included in the management action plan have been agreed with the audit contacts and sponsor. A timeline for the completion of actions has also been agreed, which will be followed-up as part of their quarterly follow-up process.

## **2.4 Sickness Absence**

NHSGGC has created a robust framework for managing sickness absence. Line managers have access to a range of guidance, templates and absence data to assist them to manage individual absences and address underlying causes affecting their teams.

Scott-Moncrieff identified through their sample testing, however, that managers and supervisors are not consistently using this information and adhering to documented processes to manage absences at both individual and team levels. Scott-Moncrieff also identified that appropriate checks are not occurring to ensure that absences are managed in line with processes and that initiatives to improve attendance are implemented in full.

Absences may not be managed effectively in every instance which could prevent NHSGGC from lowering absence rates across the Board. Scott-Moncrieff have identified actions relating to improving compliance with procedures, enhanced reporting/checks and improving the quality of data on sickness absence that would help the Board to improve arrangements in the area.

The findings included in the management action plan have been agreed with the audit contacts and sponsor. A timeline for the completion of actions has also been agreed, which will be followed-up as part of their quarterly follow-up process.



### 3. Definitions

The ratings below describe Scott-Moncrieff's overall opinion on the control frameworks reviewed during each audit:

<b>Immediate, major improvement required</b>
<p>Controls evaluated are not adequate, appropriate, or effective to provide reasonable assurance that risks are being managed and objectives should be met.</p> <p>Critical: fundamental absence or failure of key controls</p>
<b>Substantial improvement required</b>
<p>Numerous specific control weaknesses were noted. Controls evaluated are unlikely to provide reasonable assurance that risks are being managed and objectives should be met.</p> <p>High: control objective not achieved - controls are inadequate or ineffective</p>
<b>Minor improvement required</b>
<p>A few specific control weaknesses were noted; generally however, controls evaluated are adequate, appropriate and effective to provide reasonable assurance that risks are being managed and objectives should be met.</p> <p>Moderate: Control objective achieved - no major weaknesses but scope for improvement</p>
<b>Effective</b>
<p>Controls evaluated are adequate, appropriate, and effective to provide reasonable assurance that risks are being managed and objectives should be met.</p> <p>Low: Control objective achieved - controls are adequate, effective and efficient</p>

Recommendations are graded as follows:

Ranking	Definition
<b>RED</b>	Very high risk exposure - major concerns requiring immediate senior management attention.
<b>AMBER</b>	High risk exposure - absence / failure of key controls.
<b>YELLOW</b>	Moderate risk exposure - controls not working effectively and efficiently.
<b>GREEN</b>	Limited risk exposure - controls are working effectively, but could be strengthened.








# Appendix 3



## WDHSCP - Audit Reports

Generated on: 10 June 2019




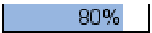
Action Status	
	Cancelled
	Overdue; Neglected
	Unassigned; Check Progress
	Not Started; In Progress; Assigned
	Completed

### Project 2. WDHSCP External Audit Annual Report 2016/17


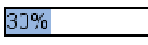

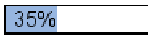
Action Code	Recommendation	Agreed Action	Status	Progress Bar	Original Due Date of Action	Actual Due Date of Action	Assigned To	Managed By	Note
WDHSCP-006	<p><u>4. Medium to Long term Financial Plans</u> There are no medium to long term financial plans in place. This is increasingly important as demand pressures increase, financial settlements continue to reduce and fundamental service redesign over a longer time frame becomes necessary.</p> <p>Risk: WDIJB is not planning adequately over the medium to long term to manage or</p>	<p>This has been committed through further actions in our Annual Governance Statement and is now also included in our Improvement Action Plan as part of our review of the Local Code of Governance.</p>			28-Feb-2018	30-Jun-2019	Wendy Jack; Julie Slavin	Beth Culshaw	<p>Work is still continuing on the 2019/20 to 2021/22 social care budget in partnership with WDC Budget Working Group. There has also been a significant amount of information and debate around 2019/20 financial settlement expectations from the Scottish Government. The new WDHSCP Strategic Plan for</p>

Action Code	Recommendation	Agreed Action	Status	Progress Bar	Original Due Date of Action	Actual Due Date of Action	Assigned To	Managed By	Note
	<p>respond to significant financial risks. Services may be affected if their sustainability is not planned.</p> <p>Recommendation: A long term financial strategy (5 years +) supported by clear and detailed financial plans (3 years +) should be prepared Plans should set out scenario plans (best, worst, most likely).</p>								2019 -2021 will also shape the Medium Term Financial Plan as will the recommendations from both the Audit Scotland Report and the Ministerial Steering Group's Report on the Progress of Integration.

**Project 3. Annual Code of Good Governance (September 2017)**

Action Code	Agreed Action	Status	Progress Bar	Original Due Date of Action	Actual Due Date of Action	Assigned To	Managed By	Note
WDHSCP-019	<p><u>9. Medium term financial plan</u> Develop medium term financial plan.</p>			28-Feb-2018	30-Jun-2019	Julie Slavin	Beth Culshaw	Work is still continuing on the 2019/20 to 2021/22 social care budget in partnership with WDC Budget Working Group. There has also been a significant amount of information and debate around 2019/20 financial settlement expectations from the Scottish Government. The new WDHSCP Strategic Plan for 2019 - 2021 will also shape the Medium Term Financial Plan as will the recommendations from both the Audit Scotland Report and the Ministerial Steering Group's Report on the Progress of Integration.

**Project 4. Annual Code of Good Governance (June 2018)**

Action Code	Agreed Action	Status	Progress Bar	Original Due Date of Action	Actual Due Date of Action	Assigned To	Managed By	Note
WDHSCP-024	<u>1. Review of Audit Committee</u> Review the effectiveness of the Audit Committee and the Terms of Reference			31-Dec-2018	30-Sep-2019	Colin McDougall	Julie Slavin	Management have reviewed the Cipfa documentation and a meeting will be arranged between the Chair and the Chief Internal Auditor.
WDHSCP-026	<u>3. Long term financial planning</u> Consider long term financial planning in the context of projections and assumptions made by HSCP Board's funding partners.			30-Jun-2019	30-Jun-2019	Julie Slavin	Beth Culshaw	Will follow on from the Medium Term Financial Strategy. Will reflect the new Strategic Plan currently out for consultation.