

West Dunbartonshire
Health & Social Care Partnership

West Dunbartonshire
Integration Joint Board

Commonly known as

West Dunbartonshire
Health and Social Care Partnership
Board

Annual Accounts 2018/19

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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 31st 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 it delivers 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.

WEST DUNBARTONSHIRE HSCP BOARD - REMIT and VISION

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 1st 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; the current scheme therefore 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.

STRATEGIC PLANNING FOR OUR POPULATION

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 which 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:

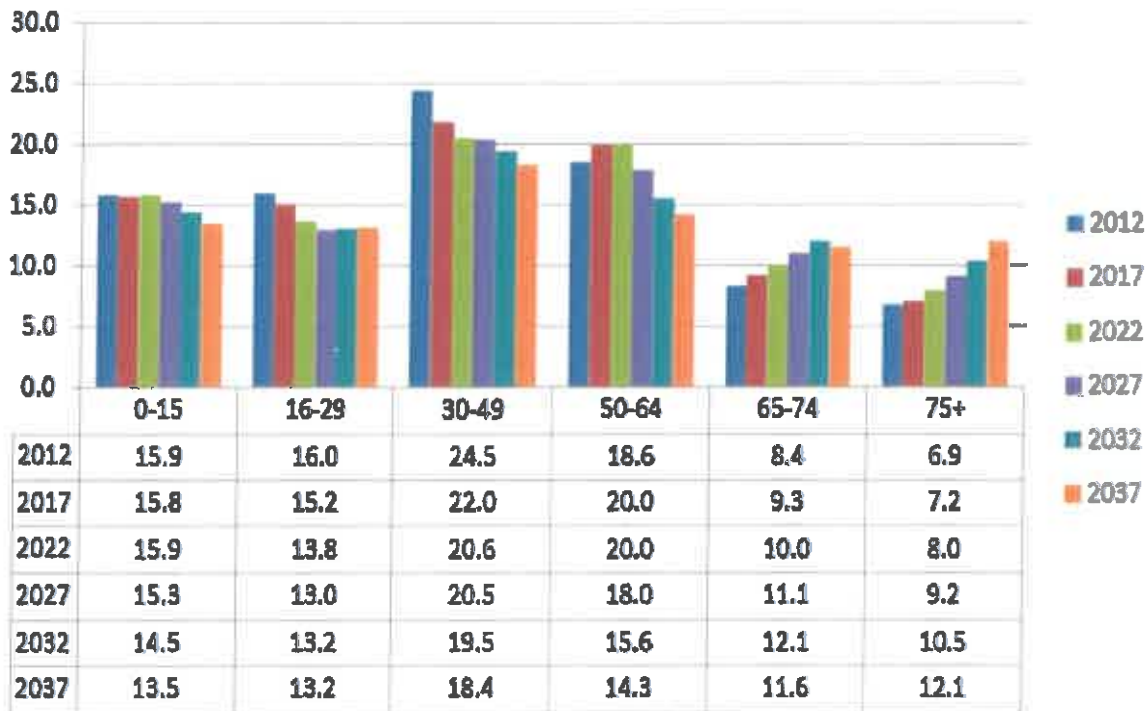
- HSCP Board voting members (the Vice Chair appointed as Chair of the group);
- The Chief Officer and the Senior Management Team;
- Strategy, Health Improvement and Information Teams;
- Officers from WDC and NHSGCG, including Education, Housing & Clinicians;
- Staff side representation from Unison and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

The Strategic Planning Group took an innovative approach to the development of the new strategic plan by working in partnership with the national [Burden of Disease Team](#) (Appendix 1, 3.), by evidencing the case for change through a Strategic Needs Assessment that took a population view 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.

A full profile of West Dunbartonshire is set out in the Strategic Plan together with the compelling evidence of the “Case for Change”. Change in the provision of health and social care services is necessary as demand is rising significantly whilst financial and staffing resources are stretched. The demographic profile has been well documented, and while life expectancy may be below the Scottish average, West Dunbartonshire population projections indicate that the age groups of 65+ and 75+ will increase up to the year 2037 with other age bands decreasing. This is laid out in the table below.

A continued increase in the older age population will have a significant impact on the dependency ratio. The dependency ratio measures the proportion of the population seen as economically dependent upon the working age population. A strong economy and thriving community needs a finely balanced population mix.

West Dunbartonshire % change of population by age group



Source: National Records for Scotland (2018) Population Projections

Other 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.

STRATEGIC OUTCOMES AND PRIORITIES

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

PARTNERSHIP WORKING FOR SUCCESS

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, 4.)

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 of performance information which can be easily interpreted and benchmarked.

The HSCP has a strong partnership with local GPs and the wider community, further strengthened by the approval in August 2018 of its 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 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 on beds days lost, including a review of frequent attendees, and appropriate support put in place. These activities align to the delivery of the National Health and Care Outcomes as well as to priorities within the Strategic Plan objectives and NHSGGC's Acute Strategy.

PROGRESS OF INTEGRATION WITHIN WEST DUNBARTONSHIRE

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](#) (Appendix 1, 5). 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](#) (Appendix 1, 6). The Ministerial Strategic Group made 25 'proposals' (that is, recommendations), of which 22 were for HSCPs across the country.

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, 7).

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) was published in draft by 31st July 2019 (to comply with legislative requirements) and was presented to its August 2019 meeting for scrutiny. The report can be viewed [here](#) (see Appendix 1, 8).

The Annual Performance Report reviews our performance against local and national performance indicators and against the commitments within our Strategic Plan. Some key areas of performance (as defined by the Scottish Government) over the past year are detailed below:

West Dunbartonshire Health & Social Care Partnership

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

Performance Indicator	2017/18 Value	2018/19 Value	2018/19 Target
Adults and Older People			
Number of acute bed days lost to delayed discharges (including AWI)	2,291	2,502	3,211
Number of acute bed days lost to delayed discharges for Adults with Incapacity	461	387	1,552
Number of patients in anticipatory care programmes	1,921	1,306	1,400
Percentage of carers who feel supported to continue in their caring role	97.40%	98%	90%
Percentage of people aged 65 years and over assessed with complex needs living at home or in a homely setting	98.0%	98.4%	98%
Percentage of clients waiting no longer than 3 weeks from referral received to appropriate drug or alcohol treatment that supports their recovery	92.4%	91.6%	90%
Children and Young People			
Percentage of 16 or 17 year olds in positive destinations (further/higher education, training, employment) at point of leaving care	78%	67%	75%
Percentage of children on the Child Protection Register who have a completed and current risk assessment	100%	100%	100%
Balance of Care for looked after children: % of children being looked after in the Community	90.34%	91.5%	90%
Mental Health Services			
Child & Adolescent Mental Health Service (CAMHS) 18 weeks referral to treatment	84.2%	78.5%	90%
Percentage of patients who started Psychological Therapies treatments within 18 weeks of referral	96%	69%	90%
Hosted Services			
MSK Physiotherapy Assessments within 4 weeks of referral	43%	39%	90%
GP Prescribing			
Prescribing cost per weighted patient (£Annualised)	£173.07	£167.87	£173.72

Performance Challenges

The table above and the full Annual Performance Report has examples of strong and improving performance as defined by the HSCP Board's local expectations or Scottish Government national expectations. For those areas requiring an improvement in performance the HSCP Board requires reassurance that action plans are in place to facilitate positive improvement and updates are provided at each board meeting. Some presentation of national performance targets doesn't reveal the improving nature of a service.

For example considerable work was done during 2018/19 to reduce waiting times for MSK Physiotherapy, including additional staffing funded by the MSK/Orthopaedic project which allowed the service to reduce the number of patients waiting over 4 weeks from 9,770 patients in April 2018 to 5,575 in March 2019, a drop of 43%.

Other specific areas targeted to improve performance going forward include the following:

- Reduce the number of inappropriate A&E attendances and emergency hospital admissions in line with the agreed MSG target- the establishment of the Focussed Intervention Team will support this;
- 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% - a priority of the HSCP Board and the Care Inspectorate;
- Increase the patients starting Psychological Therapies treatments within 18 weeks of referral – linked to Action 15 plan;
- Increase the % of complaints responded to within 20 working days – In line with partners expectations; and
- Reduce sickness absence rates across all services - this continues to be a challenging area within some social care services, but there are good examples of positive performance in some small integrated teams that could be replicated across other services.

Positive Performance in Action

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;
- The Health Visiting Service were UNICEF 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 NHSGGC 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 people's 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 operational 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 in the future.

FINANCIAL PERFORMANCE 2018/19

The Statement of Accounts contains the financial statements of the HSCP Board for the year ended 31st 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 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 Heath 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 28 details the cost of providing services for the year to 31st 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, (see Note 4 “Critical Judgements and Estimations” page 32). 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 35.

The HSCP Board's 2018/19 Financial Year

National Budget Setting Challenges

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 NHSGGC 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 settled at 3.5%; and
- The Scottish Government distributed funding to support the integration agenda, with particular emphasis on the extension of the Scottish living wage, primary care, mental health, alcohol and drug partnerships and the enactment of the Carers Act.

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.

Impact on HSCP Board Budget Setting

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

The timing of any budget consultation is complicated by the continuing budget negotiations by the Scottish Government, Local Authorities (through COSLA) and Health Boards from early December through to late February each year. By the time the HSCP Board set its budget in early May the consulted on funding gap had improved dramatically as a result of on-going negotiations with the Council's administration's Budget Working Group. West Dunbartonshire Council took the decision to reverse a previously agreed £1.560m savings target as the financial settlement to local authorities improved, 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 NHSGGC 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 2018/19 budget setting gap presented to the May HSCP Board was £0.763m: for health £0.552m and social care £0.211m. 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.

2018/19 Financial Challenges

With an ambitious budget savings programme coupled with ongoing increases in demand the first quarter's financial performance report projected an overspend of £0.977m (0.65% of total budget). The HSCP Board was presented with the actual cost and the potential projected costs of children's community placements and supporting older

people in their home and other residential settings, growing at a similar rate 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 2nd 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;
- 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.

The recovery plan, mainly through the application of savings from delays in recruitment to new integrated teams and significant tracking work by HSCP budget holders and the finance team, resulted in the overspend projection diminishing with each financial performance report.

Final Outturn Position 2018/19

The final [Financial Performance Report](#) (see Appendix 1, 9.) 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 with the components parts of this underspend (further explained below) being £0.369m for health care and £0.044m for social care.

The financial statements contained within these annual accounts finalise the outturn position for 2018/19 as at 31 March 2019. Again as above, excluding planned transfers to reserves and after accounting for all known adjustments, the recorded position is an underspend of £0.450m, a very minor increase to the underspend of £0.037m reported at the 8 May HSCP Board.

The Comprehensive Income and Expenditure Statement (CIES) on page 28 is required to show the surplus or deficit on services and the impact on both general and earmarked reserves. The final position for 2018/19 was an overall surplus of £1.038m, mainly due to additional Scottish Government funding for primary care and mental health services. These and all other earmarked reserves are detailed in Note 11 of these accounts on page 35 coupled with some additional information detailed below in the "Key messages".

While the CIES provides actual expenditure and income values for services in 2018/19 and their comparison to the previous financial year, it does not highlight the reported budget variations as the HSCP Board would consider them. Therefore the table below is presented to provide additional detail and context to the key financial messages listed below.

West Dunbartonshire Health & Social Care Partnership

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

2018/19 Final Outturn against Budget

West Dunbartonshire Integrated Joint Board	2018/19 Annual Budget £000	2018/19 Net Expenditure £000	2018/19 Underspend/ (Overspend) £000
Consolidated Health & Social Care			
Older People, Health and Community Care	44,368	45,008	(640)
Physical Disability	3,106	3,006	100
Children and Families	20,249	22,511	(2,262)
Mental Health Services	9,571	8,949	622
Addictions	2,809	2,569	240
Learning Disabilities	16,802	16,655	147
Strategy, Planning and Health Improvement	1,672	1,351	321
Family Health Services (FHS)	25,738	25,738	0
GP Prescribing	19,306	19,383	(77)
Hosted Services - MSK Physio	6,493	6,254	239
Hosted Services - Retinal Screening	791	755	36
Criminal Justice - Grant funding of £2.1m	0	0	0
HSCP Corporate and Other Services	4,204	1,892	2,312
IJB Operational Costs	270	270	0
Cost of Services Directly Managed by West Dunbartonshire HSCP	155,379	154,341	1,038
Set aside for delegated services provided in large hospitals	18,210	18,210	0
Assisted garden maintenance and Aids and Adaptations	577	577	0
Total Cost of Services to West Dunbartonshire HSCP	174,166	173,128	1,038

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

- 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 which can be attributed to demographic demand and continued improved performance on anticipatory care planning and reduction to bed days lost through delayed discharge;
 - All other adult services including learning and physical disability and mental health and addiction services collectively underspent by £1.0m, 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, and additional funding from the Scottish Government for additional mental health workers and drug and alcohol support;
- Other Services including resources for 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 £0.077m 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 the 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.
- 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. These additions to earmarked reserves are 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 ongoing negotiations of the UK withdrawal from 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; and
 - 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 underspends in social care services.

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, 10.)

The HSCP Board approved its Risk Management Strategy & Policy at its August 2015 meeting, which can be viewed [here](#) (see Appendix 1, 11.)

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 and brought back to the HSCP Board for its 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 further refined for approval at the August 2019 HSCP Board and can be viewed [here](#) (see Appendix 1, 12.). 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 August.

The key risks are summarised below and the full Risk Register Report details scoring and mitigating actions:

- 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 planned exit from the EU on the 31 October 2019 could have a number of consequences on the supply of medicine and their associated cost. Also identified are potential 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 has 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 change 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 for 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 WD HSCP's approach to Self-directed support in Scotland and an Inspection of Justice Social Work Services.

Final reports have been presented to the HSCP Board including action plans based on the recommendations set out in the final published reports.

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.

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, requires 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.

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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: 25th September 2019

Beth Culshaw
Chief Officer



Date: 25th September 2019

Julie Slavin CPFA
Chief Financial Officer



Date: 25th September 2019

STATEMENT OF RESPONSIBILITIES

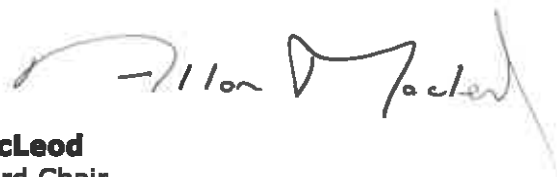
Responsibilities of the Health and Social Care Partnership Board

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 Annual Accounts were approved for signature at a meeting of the Audit Committee on 25th September 2019.

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



Allan MacLeod
HSCP Board Chair

Date: 25th September 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 31st March 2019 and the transactions for the year then ended.



Julie Slavin CPFA
Chief Financial Officer

Date: 25th September 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 and West Dunbartonshire Council. Nomination of the HSCP Board Chair and Vice Chair post holders alternates, every 3 years, between a Councillor from 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 nominating 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 of 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

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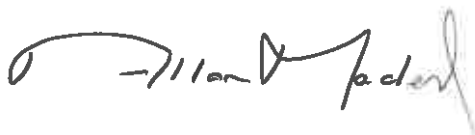
Senior Officers	In Year Contributions		Accrued Pension Benefits		
	For Year to 31/03/2018 £000	For Year to 31/03/2019 £000		For Year to 31/03/2018 £000	For Year to 31/03/2019 £000
B Culshaw Chief Officer	15	21	Pension Lump Sum	1 -	4 -
J Slavin Chief Financial Officer	10	11	Pension Lump Sum	3 -	4 -

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	
£70,000 - £74,999		1
£75,000 - £79,999	1	
£105,000 - £109,999		1



Allan Macleod
HSCP Board Chair

Date: 25th September 2019

Beth Culshaw
Chief Officer



Date: 25th September 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](#) (Appendix 1, 13.) on the HSCP website.

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", recommending 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 19th 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 [here](#) (Appendix 1, 14).

Other reviews to support continuous improvement and effectiveness include:

- The establishment and operation of the Strategic Planning Group;
- A refreshed remit and membership of the Clinical and Care Governance Group;
- Implementation of recommendations from Internal Audit Reviews completed including:
 - Review of the Charging Policy (Non-Residential Services) which identified 6 recommendations, including improvements required to completing robust service user financial assessments.
 - Children with Additional Needs Transitioning to Adult Services and

- Social Work Tendering and Commissioning – outlined in greater detail below.
- 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 NHS GGC 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 NHS GGC 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 2nd 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 28th March 2019, based on the Indicative funding allocation from NHS GGC, 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 Commissioning Plan, approved at the August 2019 HSCP Board.

Governance Issues 2018/19 and Further Actions

As referred to under “Review of Adequacy and Effectiveness” above the Local Code was reviewed at the 19th 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
- Evaluating the effectiveness of the Audit Committee.

The Local Code review also included the HSCP Board’s Improvement Actions for 2019/20 which supplements the “Areas for Improvement” detailed in each Head of Service Annual Assurance Statement a selection of which are:

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
Strengthen the budget setting arrangements with WDC & NHS GGC and work on producing a robust medium term financial plan.	Chief Financial Officer	November 2019
Improve case recording and assessment for Children & Families who receive statutory social work services.	Head of Children’s Health, Care and Criminal Justice	On-going
Improve sickness Absence Rates	All Heads of Service	On-going

These 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.

The HSCP Board on 8th 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". 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 risks.

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 improve 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:

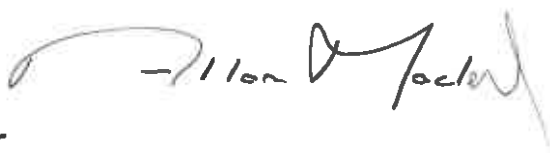
"It is my opinion, based on the above, that reasonable assurance can be placed upon the adequacy and effectiveness of systems of governance, risk management and internal control in the year to 31st March 2019 within the Council and the Health Board over which the Partnership Board requires to receive 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: 25th September 2019

Beth Culshaw
Chief Officer



Date: 25th September 2019

West Dunbartonshire Health & Social Care Partnership

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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	2017/18 Gross Income	2017/18 Net Expenditure	West Dunbartonshire Integrated Joint Board Health and Social Care Partnership	2018/19 Gross Expenditure	2018/19 Gross Income	2018/19 Net Expenditure
Restatement £000	Restatement £000	Restatement £000		£000	£000	£000
Consolidated Health & Social Care						
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
164,710	(15,982)	148,728	Cost of Services Directly Managed by WD HSCP	171,479	(17,138)	154,341
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 Adaptations	577		577
182,703	(15,982)	166,721	Total Cost of Services to WD HSCP	190,266	(17,138)	173,128
	(167,295)	(167,295)	Taxation & Non- Specific Grant Income (contribution from partners) Note 7		(174,166)	(174,166)
		(574)	(Surplus) or Deficit on Provisions of Services			(1,038)

West Dunbartonshire Health & Social Care Partnership

West Dunbartonshire Integration Joint Board – Annual Accounts for the Year Ended 31st 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
Opening Balance as at 31 st March 2018	(1,706)	(4,436)	(6,142)
Total Comprehensive Income and Expenditure (Increase)/Decrease 2018/19	(751)	(287)	(1,038)
Closing Balance as at 31 st March 2019	(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
Opening Balance as at 31 st March 2017	(2,080)	(3,488)	(5,568)
Total Comprehensive Income and Expenditure (Increase)/Decrease 2017/18	374	(948)	(574)
Closing Balance as at 31 st March 2018	(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	9	7,180
6,142	Current Assets		7,180
-	Short Term Creditors	10	-
-	Current Liabilities	-	-
6,142	Net Assets	-	7,180
(1,706)	Usable Reserves: General Fund	11	(2,457)
(4,436)	Usable Reserves: Earmarked	11	(4,723)
(6,142)	Total Reserves	-	(7,180)

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: 25th September 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 31st 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 31st 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 31st March is accrued, for example in relation to annual leave earned but not yet taken.

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

1.6 Provisions, Contingent Liabilities and Contingent Assets

Provisions are liabilities of uncertain timing or amount. A provision is recognised as a liability on the balance sheet when there is an obligation as at 31st 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 31st 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 31st 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 31st 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 31st 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 31st 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)
(574)	Surplus on the Provision of Services	(1,038)

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)
(167,295)	Total	(174,166)

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 the 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. 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 31st 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
6,337		Cost to GGC IJBs for Services Hosted by WD	6,128

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
11,997		Cost to WD for Services Hosted by Other IJBs	11,289

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
6,142	Total	7,180

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
0	Total	0

West Dunbartonshire Health & Social Care Partnership

West Dunbartonshire Integration Joint Board – Annual Accounts for the Year Ended 31st 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 st March 2018 Restatement £000	Total Reserves	Transfers Out 2018/19 £000	Transfers In 2018/19 £000	Balance as at 31 st 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)
(4,436)	Total Earmarked Reserves	1,173	(1,460)	(4,723)
(1,706)	Total Unearmarked Reserves		(751)	(2,457)
(6,142)	Total General Fund Reserves	1,173	(2,211)	(7,180)
	Overall Movement			(1,038)

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.

Both NHSGGC and WDC provide a range of support services to the HSCP Board which includes legal advice, human resources support, some financial services and technical support. Neither organisation levied any additional charges for these 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
(384)	Net Transactions with NHS Board	(829)

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
(190)	Net Transactions with West Dunbartonshire Council	(209)

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

INDEPENDENT AUDITOR'S REPORT

Independent auditor's report to the members of West Dunbartonshire Integration Joint Board and the Accounts Commission

Report on the audit of the financial statements

Opinion on financial statements

I certify that I have audited the financial statements in the annual accounts of West Dunbartonshire Integration Joint Board for the year ended 31 March 2019 under Part VII of the Local Government (Scotland) Act 1973. The financial statements comprise the Comprehensive Income and Expenditure Statement, Movement in Reserves Statement, Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union, and as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2018/19 (the 2018/19 Code).

In my opinion the accompanying financial statements:

- give a true and fair view in accordance with applicable law and the 2018/19 Code of the state of affairs of the council and its group as at 31 March 2019 and of the income and expenditure of the council and its group for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union, as interpreted and adapted by the 2018/19 Code; and
- have been prepared in accordance with the requirements of the Local Government (Scotland) Act 1973, The Local Authority Accounts (Scotland) Regulations 2014, and the Local Government in Scotland Act 2003.

Basis for opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the [Code of Audit Practice](#) approved by the Accounts Commission for Scotland. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I was appointed under arrangements approved by the Accounts Commission on 10 April 2017. The period of total uninterrupted appointment is three years. I am independent of the Integration Joint Board in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. Non-audit services prohibited by the Ethical Standard were not provided to the Integration Joint Board. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern basis of accounting

I have nothing to report in respect of the following matters in relation to which the ISAs (UK) require me to report to you where:

- the use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Chief Financial Officer has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the council's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Risks of material misstatement

I have reported in a separate Annual Audit Report, which is available from the [Audit Scotland website](#), the most significant assessed risks of material misstatement that I identified and my conclusions thereon.

Responsibilities of the Chief Financial Officer and West Dunbartonshire Integration Joint Board for the financial statements

As explained more fully in the Statement of Responsibilities, the Chief Financial Officer is responsible for the preparation of financial statements that give a true and fair view in accordance with the financial reporting framework, and for such internal control as the Chief Financial Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Chief Financial Officer is responsible for assessing the council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless deemed inappropriate.

The West Dunbartonshire Integration Joint Board is responsible for overseeing the financial reporting process.

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, intentional omissions, misrepresentations, or the override of internal control. The capability of the audit to detect fraud and other irregularities depends on factors such as the skilfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved. I therefore design and perform audit procedures which respond to the assessed risks of material misstatement due to fraud.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website

www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor's report.

Other Information In the annual accounts

The Chief Financial Officer is responsible for the other information in the annual accounts. The other information comprises the information other than the financial statements, the audited part of the Remuneration Report, and my auditor's report thereon. My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon except on matters prescribed by the Accounts Commission to the extent explicitly stated later in this report.

In connection with my audit of the financial statements, my responsibility is to read all the other information in the annual accounts and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Report on other requirements

Opinions on matters prescribed by the Accounts Commission

In my opinion, the audited part of the Remuneration Report has been properly prepared in accordance with The Local Authority Accounts (Scotland) Regulations 2014.

In my opinion, based on the work undertaken in the course of the audit:

- the information given in the Management Commentary for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with statutory guidance issued under the Local Government in Scotland Act 2003; and
- the information given in the Annual Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements

and that report has been prepared in accordance with the Delivering Good Governance in Local Government: Framework (2016).

Matters on which I am required to report by exception

I am required by the Accounts Commission to report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and the audited part of the Remuneration Report are not in agreement with the accounting records; or
- I have not received all the information and explanations I require for my audit; or
- there has been a failure to achieve a prescribed financial objective.

I have nothing to report in respect of these matters.

Conclusions on wider scope responsibilities

In addition to my responsibilities for the annual accounts, my conclusions on the wider scope responsibilities specified in the Code of Audit Practice, including those in respect of Best Value, are set out in my Annual Audit Report.

Use of my report

This report is made solely to the parties to whom it is addressed in accordance with Part VII of the Local Government (Scotland) Act 1973 and for no other purpose. In accordance with paragraph 120 of the Code of Audit Practice, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.



Fiona Mitchell-Knight FCA
Audit Director
Audit Scotland
4th Floor, South Suite
The Athenaeum Building
8 Nelson Mandela Place
Glasgow
G2 1BT

26 September 2019

APPENDIX 1: LIST OF WEBSITE LINKS

1. <http://www.wdhscp.org.uk/media/1215/wdhscp-integration-scheme-may-2015.pdf>
2. <http://wdhscp.org.uk/media/2158/hscp-strategic-plan-2019-2022.pdf>
3. <https://www.scotpho.org.uk/comparative-health/burden-of-disease/overview>
4. <http://www.wdhscp.org.uk/media/1859/wdhscp-participation-and-engagement-strategy-2016.pdf>
5. http://www.audit-scotland.gov.uk/uploads/docs/report/2018/nr_181115_health_socialcare_update.pdf
6. <https://www.gov.scot/binaries/content/documents/govscot/publications/publication/2019/02/ministerial-strategic-group-health-community-care-review-progress-integration-health-social-care-final-report/documents/00545762-pdf/00545762-pdf/govscot%3Adocument/00545762.pdf>
7. <http://www.wdhscp.org.uk/about-us/public-reporting/performance-reports/>
8. <http://wdhscp.org.uk/media/2199/annual-performance-report-2018-19.pdf>
9. <http://wdhscp.org.uk/media/2163/hscp-board-supplementary-document-pack-08-05-19.pdf>
10. <http://www.wdhscp.org.uk/media/2018/wd-hscp-board-financial-regulations-feb-2018.pdf>
11. <http://www.wdhscp.org.uk/media/1874/wdhscp-risk-policy-and-strategy-august-2015.pdf>
12. <http://wdhscp.org.uk/media/2187/document-pack-agenda-and-reports-bookmarked-hscp-board-07082019.pdf>
13. <http://www.wdhscp.org.uk/media/1793/wdhscp-local-code-of-good-governance.pdf>
14. <http://wdhscp.org.uk/media/2174/audit-committee-papers-19-june-2019.pdf>